

INSIDE:

Art or atrocity: How Tel Avivians view their new sculpture Page 2

Dutch churchman was "too pro-Israel" Page 2

A race for profits from the sea Page 3

The new men at Discount Page 9

Panel seeks probe of Waldheim

BELGRADE (AP). — The president of an international panel of historians has asked Austria's chancellor to help his group hold a meeting in Vienna on Austrian President Kurt Waldheim's wartime past.

Vladimir Dedijer, president of the Bertrand Russell Peace Foundation, said in a letter publicized yesterday that "Nazi and fascist crimes against mankind can neither be forgotten nor forgiven."

Dedijer, a Yugoslav historian, said Waldheim, who was sworn in July 8, had expressed readiness during electioneering to discuss his past.

Apparently alluding at least in part to Yugoslavia, he said the panel would discuss "the role of individual UN members in concealing documents on the role of Dr. Kurt Waldheim in the past war — not only in the past but also today."

The non-judiciary tribunal, formed in the 1960s, found the U.S. guilty of "war crimes" for its involvement in Vietnam shortly after its inception and has sat frequently since, mostly on human rights issues.

The New York-based World Jewish Congress, Waldheim's main accuser, has presented a series of documents that it says implicate the former UN secretary-general in atrocities against Balkan Jews and Yugoslav partisans.

Yugoslavia demanded Waldheim's extradition after World War II on suspicion of war crimes but subsequently let the matter rest. It has declined to comment on the accusations since they were raised early this year, despite appeals by pro- and anti-Waldheim groups seeking to prove his guilt or innocence.

Waldheim acknowledges that he served in the German army but steadfastly has denied knowledge of atrocities that his unit was allegedly involved in.

In Vienna, a spokesman for Waldheim said that Waldheim did not intend to appear before the Russell tribunal but was not opposed to it. Chancery Franz Vranitzky's office said it had not received the letter by late yesterday.

UK trial set for terrorist

By JERRY LEWIS
Jerusalem Post Correspondent
LONDON. — Nazir Hindawi was committed to trial by jury at London's Old Bailey Criminal Court yesterday for conspiring to smuggle a bomb on an El Al aircraft on April 17.

The Jordanian had nothing to say when asked by the magistrate, Sir Bryan Roberts, to make a statement prior to the formal committal.

Three months in police custody under high security guard have left his mark on the 35-year-old, and flecks of grey have appeared in his black hair.

Standing alongside Hindawi in court was 46-year-old Mohammed Fadda, accused of illegal possession of a firearm, which Hindawi left with him after the bomb attempt.

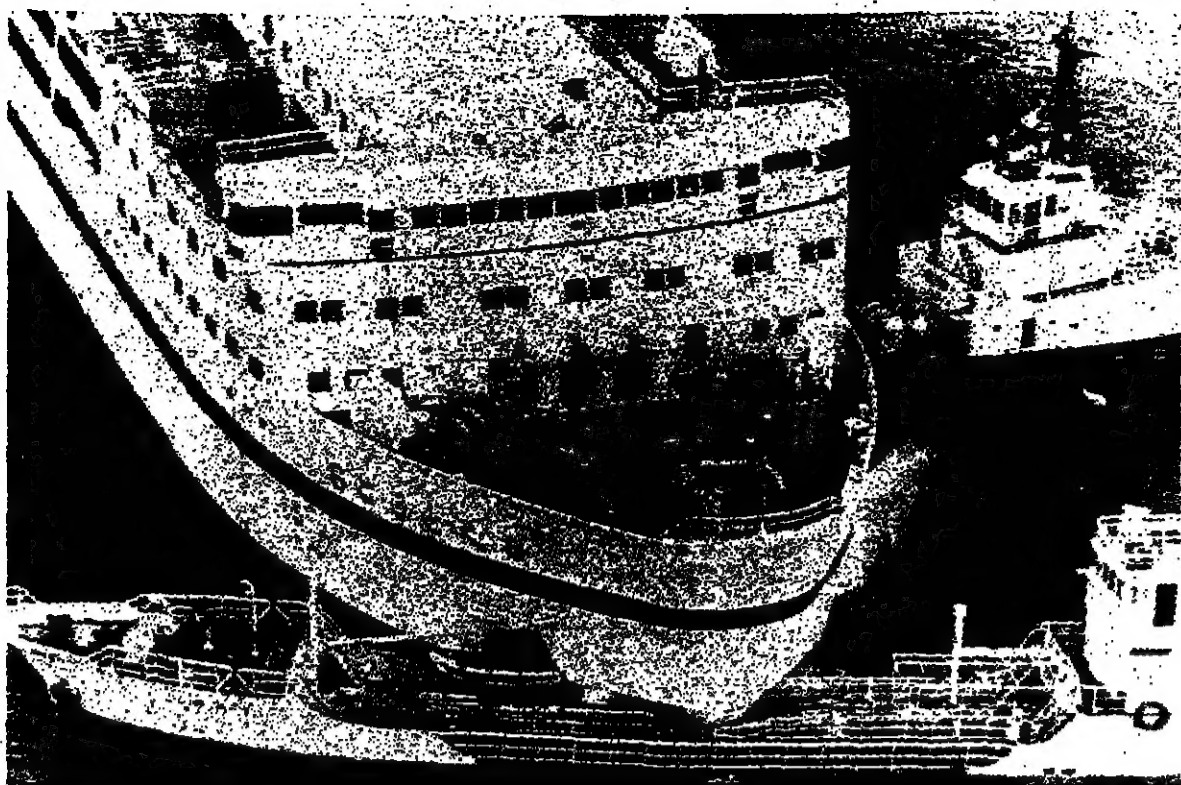
Originally, Hindawi was charged on separate counts of conspiring to smuggle a bomb aboard an aircraft and conspiring to murder the passengers. But the latter charge was dropped during Monday's court session because prosecutors explained, the passengers would have died outside British airspace and this would have caused problems of court jurisdiction.

The maximum penalty if he is convicted of the remaining charges is life imprisonment.

Prosecutor Timothy Langdale alleged Monday that after dropping his girlfriend at the airport Hindawi went to the Syrian Embassy as instructed and met with Syrian Ambassador Loutof Allah Haydar.

While Hindawi has confirmed Syrian involvement, the full details will emerge only at the Old Bailey trial itself, which is due to start early next year.

Police were unable to indicate whether they were still seeking others in connection with the bomb attempt, as the matter is sub judice.



CRUNCH. — A passenger ferry with 388 people aboard collides with a small chemical tanker in Japan's Kurushima Strait. A member of the tanker crew was injured in the collision Monday night, when inflammable chemicals leaked into the sea. (AFP telephoto).

Hussein: West Bankers back me

By JOEL GREENBERG
Post Middle East Staff

Jordan's King Hussein said yesterday that despite West Bank criticism of his closure of Fatah offices in Amman, a "silent majority" in the area had yet to speak.

Speaking at a rare luncheon news conference for journalists, some of whom are based in Israel and cover the West Bank, the king said he had shut down the Fatah offices last week because of the organization's criticism of Jordan's West Bank policies, its interference in a parliamentary election in the northern city of Irbid, and its involvement in student-police clashes at the city's Yarmuk University.

The king said there had been "a rather strange, unbolty alliance" between a faction of the Palestine Liberation Organization and Islamic radicals in the two incidents.

During the two-hour luncheon with 19 reporters, the monarch also said that Jordan would not make a separate peace with Israel, and that he did not see any new American peace initiatives on the horizon.

He shrugged off West Bank criticism of his split with Arafat. "I believe there always has been a very large silent majority in the West Bank," he said. "We don't believe they have spoken yet."

The king said he was waiting for the Palestinians themselves to choose a partner for peace efforts.

The king gathered the reporters for a luncheon of mountain lamb, chicken and Arab tidbits beneath a canvas canopy on the palace lawn. The reporters who are based in Jerusalem had been invited to attend in messages sent through U.S. embassies.

But he repeated his recognition of the PLO as the "sole legitimate representative of the Palestinian people," and said Jordan still insisted on a comprehensive, regional peace rather than a separate deal with Israel. "It is unrealistic for us to move in that direction."

The meeting, Hussein's second news conference in four days, was part of a sudden Jordanian effort to counteract stories of a Jordanian crackdown on dissidents, the press and the PLO.

He said that communists, the PLO and Islamic radicals had been involved in a student-police clash at Yarmuk University and allegations of fraud in a recent parliamentary election in the northern city of Irbid.

The king said the government had "conclusive proof" that a faction of the PLO had paid "a large sum" to help an Islamic fundamentalist candidate, who lost to a government-backed opponent.

Asked if that was why Arafat's Al Fatah offices had been closed, Hussein said, "That was part of it, and I think they were involved also in the Yarmuk situation."

Hussein added: "The Communist Party here, in terms of its politburo...has decided on a policy of confrontation...and has been trying to stir things up as much as possible."

Jordanian foreign minister Taher al-Masri said yesterday the accord signed between Jordan and the PLO last year still governs Jordan-Palestinian relations.

Deposed Gaza mayor Rashad Shawwa, who is visiting Jordan, last night criticized the PLO in an interview broadcast with English subtitles on Jordan Television. Shawwa said that, while the PLO should represent the views of the population in the territories, it had instead tried to impose its position on Palestinians there. He said the PLO should take the views of the Palestinians in the territories into consideration.

Shawwa said that the only solution to the Middle East conflict was a trade of territory for peace. If the PLO had an alternative, Palestinians in the territories would be the first to applaud it; but since it has none, the land for peace formula was the only policy, Shawwa said.

GSS police probe set to start No more pardons?

By BENNY MORRIS and BARBARA AMOUYAL
President Herzog will not automatically grant advance pardons to the General Security Service officers involved in the GSS affair if they have not already been pardoned, it was learned yesterday.

Meanwhile, Attorney General Yosef Harish ruled out a proposal by Vice Premier Shamir for the police to "deputize" outsiders to carry out its investigation of the affair. Police Minister Haim Bar-Lev yesterday set in motion the preparations for the start of the investigation and said that he believed it could be completed "before the rotation." Him reported that a special team had been organized, which would probably be headed by Nitsav Yigael Marcus.

Reports on Monday indicated that some 10 GSS officers plan to ask the president for pardons like those granted GSS chief Avraham Shalom and three of his top aides two weeks ago.

The president as of yesterday had not received the requests but, in any case, sources said, would not commit himself in advance to granting pardons to people directly involved in serious crimes or who carried out illegal orders.

Furthermore, any new pardons would have to be approved by the inner cabinet and the attorney general, if Herzog concluded there are no special reasons to discriminate against the new applications for pardons, sources said.

The renewed interest in the pardons was triggered by the start yesterday of police preparations for an investigation into the GSS affair. The investigation will inevitably focus to a great degree on the unpardoned officers.

Harish yesterday informed the High Court of Justice that the police would conduct a thorough investigation of the affair, covering all the complaints thus far submitted to the police, including the original complaint submitted by former attorney-general Yitzhak Zamir.

Police Minister Haim Bar-Lev yesterday met with Inspector-General David Kraus and police legal adviser, Hannah Hirsch, to work out how to go about the probe. Bar-Lev has already indicated that he will seek a court order imposing a complete news blackout on all aspects of the investigation.

Former Criminal Investigations Chief Commander Yehzekel Carthy, now a Tel Aviv attorney, told *The Post* yesterday that there was no legal basis for Bar-Lev's demand for an all-encompassing publication ban. According to Carthy, the police could request a ban on the publication of suspects' names from the court, but it could not legally stop the press from publishing leaks concerning investigators' names, witness testimony or details of the investigation.

Bar-Lev told Israel Television that he believed the investigation could be completed before the rotation in October. Bar-Lev added that Shamir, who is due to become prime minister, is due to become prime minister.

ANALYSIS ROY ISACOWITZ

Cabinet vote shows Peres a lame duck

Monday's 14-11 cabinet vote against the establishment of a commission of inquiry into the Shin Bet affair bodes ill for the Labour Alignment — and not only because the role of the Likud leadership may not be exposed as fully as some might have hoped.

Whatever the merits of the issue, the vote was a clear-cut show of strength between Labour and the Likud. It was one of those rare occasions when all ministers were present, and the result showed clearly that the Likud has managed to retain its hegemony over the religious parties.

After two years in power, with the weight and prestige of his office behind him, Prime Minister Peres has not managed to wean the religious parties from their political-ideological allegiance to the Likud.

That allegiance is likely to become all the more pronounced come October, when Vice Premier Shamir moves into the Prime Minister's Office.

The vote was also an illustration of Peres's lame-duck status. If it was Peres who was about to take over as prime minister, the political considerations of Shas, Morasha and the National Religious Party might have been different.

As it was, three ministers, who had publicly expressed their hesitations the night before the cabinet meeting were persuaded — under strenuous lobbying — to toe the Likud line by the time the vote was called.

The Likud-religious link is not Labour's only concern. Minister-without-Portfolio Yigael Hurwitz, who sits in the cabinet as a member

(Continued on Page 2, Col. 3)



Police Minister Haim Bar-Lev appearing before the Knesset Interior Committee yesterday. He said that police were capable of investigating the Shin Bet in complete secrecy. (Isaac Harari)

Secrecy is crucial in the investigation of the bus hijack affair, he said. Publication of the names of the investigators and of those they question must be prohibited lest the information reach hostile elements. Extremely delicate security matters will become known to the investigators in the course of the probe, he said, and, in order to protect those secrets, identities must also be protected.

Soviets, Britain sign an historic deal on tsarist debts

LONDON. — In a move hailed as a breakthrough in East-West relations, Britain agreed yesterday to scrap tsarist Russia's pre-revolutionary debts in return for cancellation of claims by Moscow for its damages in the 1918-21 civil war.

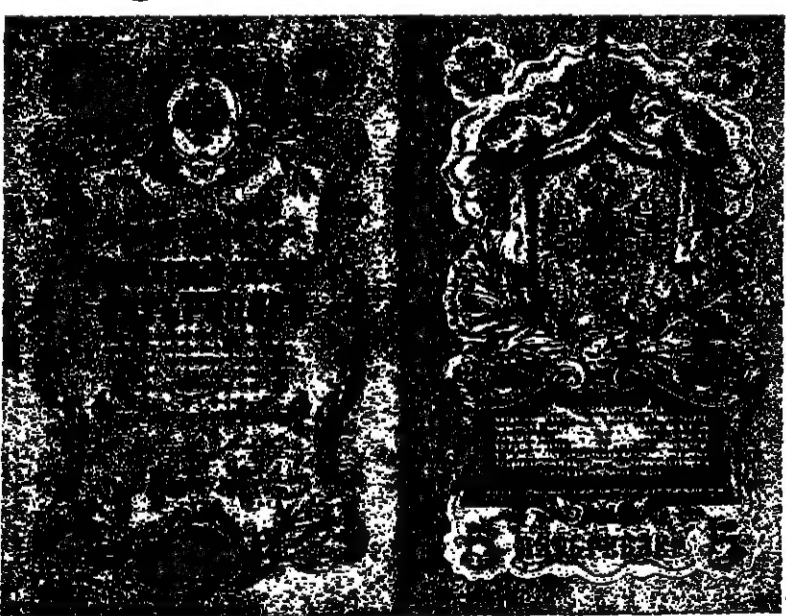
"This agreement puts to rest a 60-year-old dispute," said British Foreign Secretary Geoffrey Howe. "It shows that with patience and goodwill we can clear away obstacles to better relations."

Howe signed the agreement with Soviet Foreign Minister Eduard Shevardnadze, who is on a three-day official visit to Britain, the first in 10 years by a senior Soviet minister.

The Foreign Office said the deal meant that Soviet assets seized by Britain in retaliation for the non-payment of tsarist debts would be unfrozen and distributed to holders of Russian imperial bonds and other claimants on the Soviet Union.

In return, Moscow agreed to cancel its \$2 billion (\$3b.) counter-claim for war damages from British intervention during the Russian civil war that followed the Bolshevik Revolution.

Until now Moscow had always refused to honour debts and bonds



A pre-revolutionary note worth '17.4 parts of pure gold.'

of the tsarist regime.

The money to be unfrozen in Britain amounts to \$45m. (\$67.5m.), the Foreign Office said.

In a separate transaction, Britain will repay to the Soviet Union some

\$2.65m. (almost \$4m.) from embassy accounts frozen in London in 1917.

Western diplomats said the agreement would boost the international standing of both Britain and

the Soviet Union. They said the move was in line with Soviet leader Mikhail Gorbachev's newer, more dynamic approach to international affairs.

For Thatcher the breakthrough comes on the heels of her acceptance of an invitation from Shevardnadze to visit Moscow.

Bankers said the deal was unexpected and one described it as a "major bombshell" for world markets. They said it paved the way for Soviet Banks to tap London's rich capital markets from which they had been barred because of the dispute over tsarist bonds.

Trading in Russian bonds was suspended on the London Stock Exchange shortly before the deal was announced. The colourfully printed bonds have traded very thinly for years. They have often been used as wallpaper and mainly change hands as collectors' pieces.

But yesterday's agreement was not universally welcomed. Michael Gough of the Council of Foreign Bond Holders, which looks after the interests of sterling bond holders, said, "It is not the sort of settlement we would have asked for. We would have wanted redemption in full."

Soviets bar Jewish press from meeting

By JERRY LEWIS
Jerusalem Post Correspondent
LONDON. — Israeli correspondents, and those representing London's *Jewish Chronicle* will probably be excluded from Soviet Foreign Minister Eduard Shevardnadze's press conference winding up his visit to London.

Representatives of the Israeli press, including this correspondent, applied to attend the conference, scheduled for 9:30 a.m. today at the Soviet Embassy in Kensington, but were all informed that there would be "no room."

"We are full to the ceiling," this correspondent was told. Other Israeli journalists related similar stories.

It has been impossible to ascertain which countries' journalists will be allowed in. But the embassy's fears of hostile questioning on human rights issues may yet materialize as more privileged "friendly journalists" ask questions prepared by the locked-out Jewish reporters.

Shultz acts against Syrian anti-Semitic book by Tlas

By WALTER RUBY
Jerusalem Post Correspondent
NEW YORK. — U.S. Secretary of State George Shultz has instructed the U.S. Embassy in Damascus to raise with the government of Syria the subject of a virulently anti-Semitic book said to have been written by Syrian Defence Minister Mustafa Tlas.

Shultz's action came after the Los Angeles-based Simon Wiesenthal Centre sent a copy of the book, *The Matza of Zion*, to foreign ministers of all Western countries, asking them to inform their ambassadors to Syria about it and to register an official complaint. Shultz is the first Western leader to respond.

The book claims that, in 1840, Jews living in Damascus killed two Christians and used their blood to prepare matza. The dean of the Wiesenthal Centre, Rabbi Marvin

Hier, said that his group has "absolute evidence" that the book was written by Tlas.

Tlas writes in the foreword: "I intend to throw light on some of the secrets of the Jewish religion based on the conduct of Jews, their blind fanaticism and implementation of Talmudic teaching, compiled in exile by their elders to distort the basis of the Jewish religion as drafted, by the prophet Moses."

A spokesman for the Syrian Embassy in Washington informed the *New York Times* that the embassy had no knowledge of the book, and added, "Syria is against Zionism, not Judaism."

In a letter to Hier, Shultz thanked him for sending a copy of the book which Shultz confirmed was written by the Syrian Defence Minister, Gen. Mustafa Tlas.



Author Tlas (Camera Press)

"I can assure you that I share your deep sense of outrage that individuals continue to write such works which clearly only serve hatred and anti-Semitism," wrote Shultz. "I am encouraged only by my understanding that Gen. Tlas's readership in and out of Syria is virtually nil."

Shultz said he had instructed the U.S. ambassador to Damascus to raise the matter with the Syrian government.

Hier said that a painting on the cover of the book by artist Nazir Naba'a shows two bearded Jewish elders with knives dipping the bloody head of a decapitated gentile into a bowl.

In the foreword, Tlas accuses the Jews of "black hatred against humanity and all religions," and said that after the supposed murder of gentiles in 1840, "every mother warned her child, 'Do not stray away from home because the Jew may come and put you in his sack and kill you and suck your blood for the Matza of Zion'."

Tlas wrote, "By following events in the Occupied Lands we get, day after day, proof without any doubt that what is termed 'Zionist racism' is really just an extension of Talmudic teachings."

Hart doubts wisdom of Lavi project

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON. — Democratic Senator Gary Hart of Colorado yesterday questioned the wisdom of Israel's controversial decision to go ahead with the Lavi jet fighter programme. He suggested that Israel might be better served by purchasing U.S.-made planes instead.

Hart, an influential member of the Senate Armed Services Committee, said he was awaiting the completion of the Reagan administration's latest study on the aircraft before reaching a final decision on the matter.

But during an interview on NBC's *Today* programme, the Democratic Presidential hopeful questioned Israel's initial decision to build the plane. Hart has just returned to Washington from a visit to Israel, Egypt and Jordan. In Israel, he toured Israel Aircraft Industries and the Lavi project.

"I think the Israelis have a fundamental choice to make, and that is how they allocate their own defence resources," he said. "I don't think we ought to be in the business of telling them how to do that."

UK bid to break stymied U.S.-Soviet talks

Dire warnings of chemical war threat in Mideast

GENEVA. — Britain, citing the threat of world-wide proliferation of chemical weapons, yesterday launched a new effort to break an East-West deadlock in the negotiations on banning such arms.

Tim Renton, Minister of State for Foreign Affairs, told the 40-nation Geneva conference on disarmament the new proposals on verifying compliance with a ban sought to unblock a major obstacle on the way to an international treaty outlawing production, stockpiling and use of chemical weapons.

Stressing the urgency of reaching agreement, Renton said Iraqi use of chemical arms in the Gulf war may have already claimed 10,000 casualties and that "worse may be to come."

"In the Middle East alone, there is evidence that other countries apart from Iraq are developing an offensive chemical weapons capability," Renton said. "More may be forced to consider the consequences of the potential chemical threat... Worldwide, there may be more than 20 nations which now either possess chemical weapons or are looking at the option of acquiring them."

The British paper focuses on the need to include in the treaty provisions for "inspection



An Israel Defence Forces unit trains for chemical warfare. (Andre Brumman)

on challenge." This would give each party the right to demand an international on-site investigation in the territory of another state suspected of non-compliance.

A U.S. proposal tabled two years ago and promptly rejected by the Soviet Union, had

envisaged such inspection on 24 hours' notice. The British paper specifies a 10-day time limit.

In Moscow, meanwhile, the Kremlin yesterday said it expects a full reply from President Ronald Reagan on Soviet arms control proposals before it decides whether to extend its moratorium on nuclear testing.

Foreign Ministry spokesman Gennady Gerasimov, speaking at a news conference, said Reagan's response to an arms control letter sent last month by Soviet leader Mikhail Gorbachev had been "too much delayed."

His comment followed a statement by Gorbachev Monday which linked the moratorium decision to U.S. arms control policy and expressed dissatisfaction with the West's response to a series of Soviet arms control initiatives.

Gorbachev made the remark when he met representatives of some 150 scientists gathered in Moscow to demand an end to nuclear testing.

The scientists presented Gorbachev with an appeal which included a demand to extend the nuclear test moratorium that the Kremlin implemented last August, and they urged the U.S. to join the ban.

"The Soviet government will take a deci-

sion, and it will be conveyed to you," he said, but added, "frankly speaking, what it will be like depends to a large extent on whether the U.S. is going at long last to set about disarmament."

Among the scientists who met Gorbachev was Thomas Cochran, the leader of a private group of U.S. scientists who last week installed American seismic monitoring equipment near a Soviet underground nuclear testing site in Kazakhstan.

The Reagan administration has refused to stop testing on the grounds that it was necessary to maintain the U.S. deterrent and that problems of verification remained.

The Soviet spokesman said new sophisticated monitoring devices had made the verification argument meaningless.

"We are prepared to agree with the broadest possible means of verification, including on-site inspection," he said.

The spokesman said, however, there was progress toward talks between Soviet Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz to prepare for a U.S.-Soviet summit.

"A meeting of experts is taking place now," he said. (AP, Reuters)

Aquino bars ransom for nuns

MARAWI (Reuters). — Filipino Moslem rebels who abducted 10 Roman Catholic nuns threatened yesterday to kill them if the army launched a rescue offensive, the provincial governor said.

The threat came after President Corason Aquino said in Manila that no ransom would be paid and ordered the military "to act decisively and settle once and for all the problem of warlordism and banditry."

"The government cannot be blackmailed nor will it adopt a policy of appeasement towards the abductors," she told government television.

The local military commander here said about 40 rebels had taken their captives to forests about 50 km south of Marawi, on Mindanao Island, but troops surrounded the area and sealed all escape routes.

Colonel Omar Manablang told reporters that representatives of the governor were negotiating with the kidnappers.

The Carmelite nuns were kidnapped last Friday from a secluded hill-top convent in Marawi, capital of the southern island's Lanao del Sur province.

An American Baptist missionary, Brian Lawrence, was snatched from his home on the state university campus in Marawi the following day.

Provincial governor Saidam Pangarungan said the kidnappers — believed to be from the Moro National Liberation Front — had reduced their ransom demand from two million pesos (\$100,000) to 200,000 (\$10,000).

There has been considerable confusion over who kidnapped the nuns and the missionary.

One military report said the nuns were seized by a band under an employee of the National Food Authority. Government television said the captors were relatives of ousted provincial governor Ali Dimaporo.

The official Philippine News Agency said Moslem rebels abducted both the nuns and Lawrence.

Protestants in Ulster battle police

BELFAST (Reuters). — Northern Ireland Protestants attacked police with petrol bombs early yesterday as sectarian violence spread across the province for the third day running, police said.

The worst clashes were in Belfast where Protestants threw petrol bombs at police, who hit back with rubber bullets. In one area, shots were fired at police but caused no casualties.

The violence followed weekend marches commemorating the Battle of the Boyne in 1690, when Protestants consolidated their centuries-long dominance over the Catholic majority in Ireland.

Protestant feelings are running high this year because of their opposition to the Anglo-Irish Agreement, the accord signed by Britain and the Irish Republic last year which gave the overwhelmingly Catholic republic a voice in Ulster's affairs.

Ex-FBI agent who spied for Soviets gets life term

LOS ANGELES (Reuters). — Former FBI agent Richard Miller was sentenced yesterday to life imprisonment for passing a secret U.S. document to the Soviet Union.

Miller, 49, who had claimed he had a four-month affair with convicted Soviet spy Svetlana Ogorodnikova to infiltrate the Soviet KGB as a double agent, could be eligible for parole after serving 18 years, a government prosecutor said.

Federal judge David Kenyon, who said before passing sentence that a person who betrays his country should not walk again in that country as a free man, also fined Miller \$60,000.

Miller, a 20-year FBI veteran, was convicted of giving an FBI counter-intelligence document to an agent of foreign government, Ogorodnikova,

and to the Soviet Union in return for promises of \$50,000 in gold and \$15,000 in cash. But according to evidence at his trial, Miller never received the cash or the gold, but only an expensive raincoat and a pair of shoes that were too tight for him.

The prosecution said Ogorodnikova, who is serving an 18-year prison sentence, and her husband Nikolai Ogorodnikov, both Soviet émigrés, recruited Miller as a KGB agent.

"I never intended to injure my country," Miller said. "Moreover, my conduct caused no damage to the country... so although I know you are going to sentence me as though I did commit these crimes, I will continue to assert my innocence in an appeal and in a new and fair trial."

Tiny sub lands on Titanic

WOODS HOLE, Mass. — Explorers probing the Titanic landed a tiny sub on the deck of the sunken ocean liner Monday, the closest man has come to the wreck in 74 years, an expedition spokeswoman said.

Woods Hole Oceanographic Institute geologist Robert Ballard, leader of the expedition, said it was "a breathtaking experience."

"We saw rows of portholes down the side of the ship with the glass still in place," he told institute personnel by radio telephone. "Then we landed... up on the forward deck by the mast and looked at the windlass, bollards and chains."

The spokeswoman said Ballard also reported landing for a few minutes near the wheelhouse of the 270-metre vessel, and seeing "the ship's wheel minus the wood... it was all polished, we took some beautiful pictures of that."

The wreck was located last September by a French-American team led by Ballard. The Titanic struck an iceberg and sank on April 15, 1912, during its maiden voyage. Some 1,500 lives were lost in the

accident. Ballard and two pilots spent four hours in the submersible vessel Alvin, fighting a half-knot current some four km. beneath the Atlantic, southeast of Newfoundland.

"The current is like a wind blowing, preventing us from working stern to bow," Ballard said. "The Alvin approached the liner from the bow. She's sitting like a knife's edge with both anchors visible," Ballard said.

During the operation the Alvin also passed over an opening above the grand staircase where a special Navy robot, Jason Jr. was sent on a picture-taking effort yesterday.

"For lack of a better word, it's a Titanic opening," Ballard said.

The explorer said he planned to use the Jason Jr., a lawnmower-sized, unmanned device attached to the Alvin by 75 metres of cable, to take video pictures inside the wreck.

The U.S. Navy is financing the expedition, expected to last 12 days, in order to study Jason Jr.'s performance and train civilians in the use of the robot. (Reuters, AP)

Race for seabed profits

By THOMAS LAND
LONDON. — A complex sonar device developed by Britain's Institute of Oceanographic Sciences is being used in a gigantic, controversial submarine search for oil and metal deposits off the shores of North America.

Many fear that the venture may undermine a painfully negotiated international accord on the exploitation of the deep seabed and even lead to the ruin of the fragile economies of some developing countries.

The six-year project for the mapping of more than 13 million square kilometres of seafloor has been commissioned by the U.S. Geological Survey. It has come under severe international criticism because Britain and the U.S. have declined to ratify the UN's Law of the Sea Convention, the legal instrument created to regulate the orderly development and equitable global distribution of the newly accessible seafloor resources.

Critics claim that the Anglo-American venture is about to unleash a disastrous private-enterprise scramble for profits — the very development which the convention was intended to prevent. Several big international consortia are in fact ready to begin seabed mining on a scale which could bankrupt some poor landlocked countries (such as Zambia), whose national economies depend on the existing metal markets. But there is nothing illegal about the project because the convention has not yet entered into force.

Britain is involved in the North

American survey because of a difference of opinion a quarter century ago dividing scientists over the best ways of exploring the deep. The Americans concentrated their resources on the development of submarines and submarine photography. Britain developed "sonography" based on echo-sounding principles; and the result is a torpedo-shaped vehicle called Gloria (geological long-range incline ascender) containing an electronic answer to the submarine explorer's prayer.

Towed by a research ship at eight knots or more, the equipment emits pulses of sound-forming ultrasonic beams which describe very accurately a 65 km band of the seafloor at depths of up to 13,500 metres.

Negotiated since 1958, when the first UN conference on the law of the sea met in Geneva, the convention deals with a highly complex and wide-ranging subject matter covering many uses of the ocean including shipping, fishing, resource exploration and exploitation as well as conservation and pollution. The convention provides that the vast mineral riches of the deep seabed constitute "the common heritage of mankind" whose exploitation beyond national jurisdiction would be administered by a global authority.

The UN describes the convention as one of its biggest achievements. But the U.S. withdrew from the negotiations two years ago and was followed by Britain and West Germany because of their reluctance to curb the profit opportunities of private industry.

(London Observer Service).

Vietcong's new party chief lauds pro-Soviet policy

BANGKOK (AP). — Vietnam's new Communist Party chief, Truong Chinh, led funeral rites yesterday for Le Duan, praising his predecessor's pro-Soviet policies and pledging to carry on the work of unifying the country, Vietnam radio said.

Chinh, 79, was given the all-powerful post of party secretary-general at an extraordinary session of

the central committee on Monday, four days after Le Duan died in Hanoi. Chinh is also chairman of the State Council, the supreme government organ.

He is known in the West as a strict ideologue who helped found the Indochinese Communist Party, the predecessor of the current party, in 1930.

MIDEAST NEWS

Cairo backs Gorbachev's proposal for Mideast talks

CAIRO (Reuters). — The pro-government newspaper *Al-Akhar* said yesterday that it supported Soviet leader Mikhail Gorbachev's proposal that the five permanent members of the UN Security Council meet to discuss peace in the Middle East.

Al-Akhar said in an editorial that President Hosni Mubarak was studying the proposal and consulting other Arab countries. The paper said U.S. rejection of the plan was "incomprehensible."

Jordan has already thrown its weight behind Gorbachev's proposal.

The newspaper said direct talks between Arab nations and Israel

would be futile under present circumstances. "Israel has shown intransigence and a strange ability to stall for time in direct negotiations," it added.

Meanwhile, Egypt's Foreign Minister Ismat Abdul Magid said he rejected a demand by a number of Egyptian members of parliament to halt negotiations with Israel over Taba, Itim reported yesterday.

The foreign minister, in an interview with *Kul Al-Yusuf*, said that in going to arbitration, Egypt would make sure that her rights to Taba were clear, and her legal position, supported by documents and maps, was "correct."

Mubarak plans Europe tour

CAIRO (Reuters). — President Hosni Mubarak plans a whistle-stop European tour calling at Paris, London and Bonn this week to seek support for Egypt's growing economic crisis, Western diplomats said yesterday.

They said he was likely to ask the leaders of France, Britain and West Germany to support easier conditions for about \$1 billion in International Monetary Fund standby credits, which Egypt is expected to request.

Meanwhile, Saudi Arabia may

take major steps toward improving relations with Egypt, a half-brother of Saudi King Fahd reportedly told Egypt's state-run Middle East News Agency yesterday during a visit to Cairo.

The statement by Prince Talal Ibn Abdel-Aziz followed other signs of a rapprochement between Egypt and Saudi Arabia, which severed ties with Cairo in 1979 after it signed a peace treaty with Israel. [See also — "The Man Who Could Succeed Mubarak" — Page 5.]

DFLP offers Israeli corpse

BEIRUT (AP). — The Democratic Front for the Liberation of Palestine offered yesterday to exchange the corpse of an Israeli Army staff sergeant for a newly captured DFLP terrorist. It suggested the swap be made through the International Red Cross.

The offer was made in a DFLP statement released in Sidon. The statement identified the Israeli soldier as Sergeant Samir Assad, who was captured in Lebanon in 1983. The DFLP maintains he was later killed in an Israeli air raid on an island near the Lebanese port of Tripoli.

The statement identified the captured DFLP guerrilla only as Lt. Gamal, and said he was "seriously wounded in a clash with the Israeli enemy near Meiss el-Jebel," a Shi'ite Moslem village in South Lebanon. It did not mention the date of the clash.

PLO holds emergency meeting in Tunis

TUNIS (AP). — The Central Committee of the PLO opened an emergency meeting here yesterday to discuss Jordan's decision to close down the offices of the Fatah wing of the organization in Amman.

PLO spokesman Ahmed Abdel Rahman said the 55-member committee, meeting under the chair-

manship of Fatah leader Yasser Arafat, was due to consider the Jordanian decision "in the light of recent contacts between the Palestinian command and the Arab and international levels."

Arafat returned to Tunis late Monday following a quick visit to Iraq and Sudan.

Cosmonauts ending four-month mission

MOSCOW (Reuters). — Soviet cosmonauts Leonid Kizim and Vladimir Solovoyev were transferring to their Soyuz T-15 "space taxi" yesterday from the orbital station Mir on their return to earth after four months in space, Tass news agency said.

Commander Kizim and engineer Solovoyev were preparing to shut down the equipment aboard Mir temporarily, Tass said.

The cosmonauts were taking papers, photographs, biological objects and other materials onto the Soyuz craft for their descent to earth. They are due to land today.

Tass said Kizim, 44, and Solovoyev, 39, had still to complete a programme of photographs of East German territory yesterday.

The cosmonauts, who set a space endurance record of 238 days in 1984 aboard the Salyut-7 station, began their latest mission on March 13. They spent seven weeks aboard Mir before transferring to the Salyut-7 station. They then left the older Salyut on June 25 back for Mir.

Mir, launched in February, is the core for a giant laboratory, which is due to become the first permanently-manned space station.

Victims of Basque terror

Spain pays homage to slain police

MADRID (AP). — Spain's bustling capital city came to a standstill at noon yesterday in a silent memorial for nine civil guards slain by a Basque terrorist car-bomb the previous day.

For three minutes traffic stopped, workers, shopkeepers and pedestrians dropped what they were doing and radio and television stopped transmissions.

"There is no possible social or political cause that can justify so much blood, so much death and violence," Jose Manuel Estepa, Vicar-General of the Armed Forces, said at the funeral held at civil guard headquarters in Madrid.

Burial for all nine was to take place in the respective home towns of the victims.

Although no group has claimed responsibility for Monday's early morning car-bombing, which went off as a bus carrying 58 civil guards drove past, it is widely believed to be the work of the Basque separatist organization, Eta.

Head of Eta's political arm, the



Mother of one of the 27 civil guards killed in Monday's Madrid explosion crying during yesterday's mourning in the capital. (AFP)

radical Herri Batasuna, condemned the attack and issued a communiqué saying: "Negotiation is the only way to solve the problem of the Basque country." It was the first time Herri Batasuna has criticized an attack linked to Eta separatists.

The bombing was the deadliest since 1968, when Eta began its drive for independence of the northern three-province Basque country of Spain.

A government spokesman said 28 people, most of them civil guards, remained hospitalized, at least two of them in "desperate condition."

The deaths bring to 29 the number of victims of political violence in Spain this year, 19 of them in Madrid.

A visibly shaken socialist Prime Minister Felipe Gonzalez told reporters yesterday he would "never forget" the attack and promised to intensify efforts "to finish once and for all with terrorism."

But the Spanish press roundly criticized his government yesterday for failing to control Basque terrorism.

Jemayel appeals for extension of UN peace force

BEIRUT (AP). — President Amin Jemayel appealed to the Big Five at the UN Security Council yesterday for a six-month extension of the UN Peace-keeping Force in South Lebanon.

Jemayel was reported to be in conference with France's Ambassador Christian Graeff over the issue, when low-flying Israeli jets crashed the sound barrier over Beirut.

Meanwhile, police here put the final toll of an Israeli air raid near Beirut on Monday at three killed and 11 wounded.

Israeli fighter-bombers demolished Palestinian guerrilla bases in the Druse-controlled hills above the capital in the fifth Israeli air attack on targets in Lebanon this year.

In other developments, Lebanese sources stated yesterday that Syrian military units may be deployed in the southern Beirut suburbs, which are Shi'ite strongholds, in the next stage of Syria's security plan for West Beirut, according to the Voice of Lebanon radio.

25 die in Mexico quake

OCEANSIDE, California (AFP). — Sunday's earthquake in southern California left 29 people injured, one seriously, and caused damage estimated at \$720,000, officials said here yesterday.

The Red Cross and hospital officials in Tijuana, Mexico, reported on Monday that 25 people died and 150 were hurt south of the border.

Some 15 tremors measuring 3 on the open-ended Richter scale, were felt Monday around Los Angeles, from San Diego in the south to Oxnard in the north.

The Philharmonic in the Park

The Israel Philharmonic Orchestra

Conductor: **Zubin Mehta**

Soloists: **Plácido Domingo**, Opera Singer
Itzhak Perlman, Violin
Robin Weiss-Caputo, Soprano

Saturday, July 19, 9:30 p.m.
Yehonatan Park (Yarkon Park) Tel Aviv

And with the Tel Aviv Philharmonic Choir, Chorus Master Michael Shani, and the DFLP Orchestra, Seating on the lawn

The public is invited NOT to bring chairs.

A collection will be taken — proceeds to children who suffered in the Mexican earthquake.

ENTRANCE FREE

HOTEL FRANK NAHARIYA

Only NIS 26 (+ VAT)

1 + 2 per person per night

Tel 04-922778

Fax: 971428

Kocher

THEY TAKE PLEASURE IN PLEASEING

The Ramada Renaissance Hotel, Jerusalem •
The Aviya Sonesta Beach Hotel, Eilat •
The Ramada Continental Hotel, Tel Aviv •
The Tel Aviv Plaza • The Moriah, Eilat •
The Yamit Tower, Tel Aviv •
The Moriah, Jerusalem

They know just what their guests appreciate in the morning. They give complimentary copies of **The Jerusalem Post.**

The Ramada Continental Hotel, Tel Aviv

Police reject bonus as 'inequitable and unfair'

By BARBARA AMOUYAL

Some 130 high-ranking police officers have decided not to accept a one-time bonus of NIS 900 which was to be added to their July pay slips. They are angry about "gross and unfair" inequalities in the disbursement of the bonuses which have been granted to certain categories in the police and the permanent army. Seventy-five per cent of permanent army personnel, but only 33 per cent of the police force, are eligible for the bonus.

The officers' rejection of the one-time bonus represented a "gesture of solidarity" with over 60 per cent of the force who were ineligible under the terms of an agreement reached recently between Police Minister Haim Bar-Lev, Finance Minister Moshe Nissim and Treasury representatives.

According to national police personnel director Ya'acov Turner, the police agreement was similar to the one reached recently between the Defence Ministry and the Treasury, in which "preferred positions" in the permanent army were granted a one-time bonus of NIS 650 or NIS 900.

Turner said that "technicalities" and difficulties in matching police and army positions kept several high-risk police jobs off the Finance Ministry's list of eligibles.

Among those qualifying for the bonus were sappers, border patrol-

men, researchers, accountants and police with the rank of superintendent and above.

When Bar-Lev agreed to the plan, he had "no way of knowing" of the disparity in what are termed "preferred positions." This only became evident after extensive review of the Treasury's list of criteria, Turner said.

High-level officers, including Police Inspector-General David Kraus and Bar-Lev, had considered an across-the-board refusal of the bonuses, which total some NIS 7.6 million, said Turner. But the idea was dropped because it wouldn't have been fair to the 1,400 officers and 3,400 patrolmen slated to receive the bonus. Also, a blanket refusal to accept the grant would have harmed the police struggle to achieve parity with professional soldiers.

"Two-thirds of those who decide to leave the police force are driven by financial pressure. They are satisfied with their jobs and would like to stay on, but insist they have to find higher-paying work," said Turner.

Turner told *The Jerusalem Post* that some 500 positions are now open in the force, but police are finding it difficult to compete for suitable recruits on the open market. "I'd rather have hundreds of empty positions than compromise on the high standards set for recruits," he said.



A passer-by reads a Hemdat anti-violence poster, one of the first to appear on Jerusalem bus shelters yesterday. The poster says: 'Let's not play with fire. Let's make tolerance fashionable again.' (Zoom 77)

Posters of tolerance for Jerusalem bus shelters

By MOSHE KOEN

"Let's stop playing with fire, let's make tolerance and understanding fashionable again, in the spirit of the Declaration of Independence."

This legend, around a picture of a burnt-out match, is the message on a poster placed in 100 bus shelters throughout Jerusalem yesterday evening in a joint project of the Poster Media company, Hemdat (the Public Committee for Freedom of Science, Religion and Culture), and the Topper sports-clothes company.

Poster Media, which is responsible for the bus shelters, is donating the space; Hemdat created the poster, designed gratis by Shiluv; and Topper, a veteran advertiser in bus shelters, defrayed the cost of printing.

Eventually, the poster will be placed in additional bus shelters throughout the country, Hemdat chairman Dr. Hillel Shulval said.

The Bnei Akiva religious Zionist youth movement has undertaken to handle mass distribution of a smaller

version of the pamphlet. Shulval said. Negotiations are in progress for the other youth movements to cooperate.

The president of the Union of Orthodox Jewish Congregations of America, Professor Sidney Kwestel, has condemned "the cancer of extremism and violence regardless of who resorts to them." He is in Jerusalem, where he has been holding talks with the chief rabbis, the leaders of all sectors of Orthodoxy, and leaders of all the Zionist political parties.

Kwestel told *The Post* that he has already convened a forum of a wide range of Orthodox groups in the U.S. to deal with extremism in that community.

The Young Israel Orthodox synagogue movement, holding its 75th anniversary convention in Jerusalem, the first in this country, has also condemned "extremism and violence on all sides." Young Israel has more than 300 branches, 44 in Israel, the rest in North America.

JORDAN'S INCOME from citizens working abroad - a crucial element in its economy - rose by 20 per cent in dollar terms in the first four months of 1986, although measured in dinars the rise was slight.

IPO jubilee to honour Rubinstein

By MARSHA POMERANTZ

TEL AVIV. - A week of festive concerts at the end of December and a series of concerts marking the centenary of Arthur Rubinstein's birth will highlight the Israel Philharmonic's jubilee celebration, beginning in the fall with its 51st season.

Maestro Zubin Mehta, IPO musical director, announced the plans at a press conference here Monday. Details came from Avi Shoshani, the orchestra's general secretary, and three members of the orchestra's managing committee.

The Rubinstein celebration, in the second half of January, 1986, will include Rubinstein's entire orchestral repertoire, though it would be impossible to include all the Mozart concerti, Mehta pointed out.

The new works to be offered is Bernstein's *Jubilee Games*, dedicated to the IPO.

Tel Aviv to pioneer 'community education'

By BERNARD JOSEPHS

Jerusalem Post Reporter

A new type of elementary school, where parents pay for extra lessons and decide together with teachers what their children learn, is to be introduced in Tel Aviv in September.

A top education official, giving details of the project, said it would be based on the highly successful community school system operating in the U.S. He hotly denied reports that the aim was to provide better education for the wealthy.

Parents will be expected to help pay for the special facilities their children will enjoy. But those who can't afford the monthly fee, of up to \$50, will be subsidized, said Dr. Shimon Shoshani, head of the municipality education department.

Eleven "community schools" will begin operating in the city from the start of the school year, said Shoshani. "The parents and teachers will sit together to prepare the curriculum and to decide on all matters of educational policy," he said.

"The schools will be run by steering committees comprising parents, teachers, the principal and education officials. The idea is to get the community as involved as possible."

Shoshani said great emphasis would be placed on extra programmes and enrichment courses. And, he said, unlike normal elementary schools, which operate from 8 a.m. to 1 p.m., the community schools will be open "from early in the morning until late at night."

"We came up with this idea because it was clear to us that many parents were not satisfied with the education their children were receiving and would be happy to pay money to improve it," he said.

Shoshani dismissed reports that the system would be elitist, with only children of exceptional talent or from wealthy backgrounds able to take part.

"This is absolute nonsense," he asserted. "These new schools, which will be in existing school buildings, are open to any child in the catchment area."

"And they are not all in rich, middle-class neighbourhoods. One is in the Hatikva Quarter, another is in Jaffa and a third is in the city centre."

"In any case, where a parent genuinely can't afford the extra payment his contribution will be subsidized, or, if necessary, paid completely by the municipality."

Also in Tel Aviv, a new specialist elementary school is to be opened next year, following the success of the school for the performing arts which started last September.

The new school, in Neve Ofar, is to specialize in nature study, ecology and social studies. It will be fully integrated, said Shoshani, with - for the first time - children from wealthier neighbourhoods being bused in to join those from poorer backgrounds.

Its 230 pupils will have to pass a psychological test and an interview before being accepted at the school, which boasts a five dunam zoo and a 14-dunam botanical garden.

Haifa resident bequest

to 'Forsake Me Not'

By JONATHAN KARP

The late Alfred Lindemann bequeathed 62,320 Deutschmarks (about \$27,700) to *The Jerusalem Post's* Forsake Me Not fund.

Lindemann died in Haifa last May at the age of 89. The gift amounts to 20 per cent of his estate.

Palestinian-Americans face problems

U.S. officials decry harassment at airport

By JOEL GREENBERG

Jerusalem Post Reporter

More than 100 Palestinian-Americans arriving in Israel in recent weeks to visit relatives in the territories have had their passports and tickets confiscated at Ben-Gurion Airport as a guarantee against their departure, according to reports reaching the U.S. Consulate in Jerusalem.

Visitors reported being delayed for hours at the airport, where they were required to make deposits of \$2,000-\$3,000 as additional guarantees. They said they were issued one-month visas, rather than the standard three-month visas issued to American visitors to Israel.

U.S. officials have protested to Israeli representatives against the practice and charged that it discriminates against Arab Americans, since it is applied neither to Jewish Americans arriving in Israel nor to citizens of other countries.

The U.S. officials have argued that the policy could not be attributed to security reasons, since many of the visitors harassed were women and children.

"We are in contact with the Israelis on the issue, and trying to work things out," U.S. Consulate press officer David Good told *The Jerusalem Post*.

Interior Ministry deputy director-general Yitzhak Agassi said the mea-

sures at the airport were being taken against all foreigners arriving in Israel who were suspected of planning to overstay their visas and remain in the country. He denied that the policy was directed exclusively at Palestinian-Americans.

He said 39 persons had been "checked" at the airport in June, only 12 of whom were U.S. citizens.

"It is common practice for countries to question suspicious arrivals and ask to see their tickets, and sometimes request guarantees against their departure," Agassi said. He added that there had been only one case of passport confiscation, when a family arrived with the clear intention of settling in the country.

A Foreign Ministry official said the practice was part of a general tightening of controls on illegal aliens, which has also included the deportation of some foreign nationals. He said that in meetings with U.S. representatives, Israeli officials had vigorously denied that the policy was directed specifically at Arab Americans. The U.S. officials "pretty much understood our position," he said.

A source involved in the recent contacts on the issue said the airport procedure was puzzling, since most Palestinians and other Arabs entering Israel come via the Jordan River bridges, where no such measures have been taken.

Painter Jack Levine flees 'the rotten business of art'

By YA'ACOV FRIEDLER

Jerusalem Post Reporter

HAIFA. - If you've always felt that modern art has no more to it than "the emperor's new clothes," but didn't dare say so, cheer up. Jack Levine, the American satirical artist whose canvases hang in all the great museums in the U.S. and elsewhere, agrees with you.

Now 71 and retired from "the rotten business of selling your art," the Boston-born, New York-based painter is spending a month at Haifa University teaching an advanced drawing and painting class in the university's summer art workshop.

Levine, unlike many others, has made his living exclusively from painting. His canvases sell for up to \$70,000. In an interview with *The Jerusalem Post*, he said this was his first teaching job in 25 years, as he had not needed the money, but "grabbed" the position because he had been "extremely lonely and idle" since the death of his wife of 37 years, Ruth Gikow-Levine, who was also an artist. He spent last summer visiting the museums of Italy, "and this is the synthesis. I'm very busy and surrounded by people wanting to learn."

Levine usually paints group portraits; satirical commentaries on the mores of U.S. society and politics. But he has also done some "Hebraic" paintings and is currently completing a large canvas, "Saul and David." He does prints, too.

The Vatican collection includes one of his paintings. Another, "The Patriarch of Moscow in Jerusalem," was purchased by Baron Thyssen and hangs in Lugano. He got the idea for the latter at Jerusalem's Intercontinental Hotel a decade or so ago, when the Red patriarch was a fellow guest.

"I thought it funny that this representative of a country that preaches against expansionism should be here trying to get the deeds to the properties of the White Russian Church in Israel," he put Brezhnev and Gromyko among the priests in the picture and marked their names "like icons" in Cyrillic script, topping the work with "Yerushalayim."



Jack Levine at work in golden Hebrew letters, "which I remember from *heder*."

"I believe the chic set have a need for an art the common people can't share with them, a loathsome attitude that is pervasive in the art world."

"I believe that if you have to ask what it is, it's not for you," he said. "Doesn't that mean he's out of style?"

"I'm the first to say I am. I want to be."

"But don't think I can't do this modern stuff. To appear to be experimental is much easier than drawing and painting," he argued.

For good measure, the soft-spoken Levine added: "The devil with modernism. It's the emperor's new clothes. Received opinion and enjoying things because you are told you should is disgusting. Worse than arranged marriages."

Nor did he think that modernism necessarily stood for advance. "There comes a time when the art of a specific period is at a dead end. I think modern art is now utterly useless and I shall get rid of the touch of cubism in my work. I'm delighted to be dated."

Status-seeking is alive and well on the kibbutz

By LEA LEVAVI

Jerusalem Post Reporter

TEL AVIV. - Kibbutzniks are becoming more concerned about their personal needs and less about those of the kibbutz as a whole, according to a Tel Aviv University sociologist.

Speaking at a symposium on social change on the kibbutz, sponsored by the university's Golda Meir Institute, Dr. Eliezer Ben-Raphael said the resulting pressures on the kibbutz are enormous. "When Ben-Gurion talked about the millionaire in the swimming pool, he was talking about a millionaire heavily in debt," he said.

In his recently published book, *Equality and Progress*, Ben-Raphael shows that equality on the kibbutz does not preclude status differences. "True, the general meeting of the kibbutz membership makes the policy decisions in direct democracy, and those at the bottom of the pyramid by definition out-

number the others. However, there are some speakers at the meeting on whose every word the audience hangs, while others have a hard time being heard over the clatter of knitting needles in the audience."

If in the early days of the kibbutz the slogan "to each according to his needs" referred to the most basic necessities of life, today the word "needs" covers a multitude of demands (some would say sins), from the "need" for higher education or foreign travel to the "need" to violate kibbutz norms and have something others don't have, to the "need" for family living arrangements instead of the traditional children's house.

Ben-Raphael said the status differences on the kibbutz create competition among people battling for prestigious jobs. However, once they get the jobs and begin having conflicts with their fellow kibbutzniks, they often are eager to be

replaced. "Ostensibly, that 'self-destruct' element means more people have the chance to get to the top since there is rotation in key positions," he said. "However, in practice, not all 250 members of a 250-member kibbutz are candidates for key jobs and those who are candidates are likely to be the same people who were in important positions 10 years ago."

Prof. Yohanan Peres, basing his talk on Ben-Raphael's book, discussed status differences between generations and between men and women. "It is not clear whether the reason women have lower status is because they tend to do less central jobs on the kibbutz, or other factors," he said. "In a capitalist society, the elderly have had the opportunity to amass wealth which can maintain their status in their later years. What the elderly kibbutzniks have amassed are the memories of his fellow kibbutzniks have of his efforts

and achievements over the years. If he doesn't have any, or if they have been forgotten by his fellows, his status will be low."

According to Ben-Raphael, the kibbutz is in its own way the epitome of capitalism because it takes initiative and risk in search of profit in agriculture, industry and other fields.

Dr. Uri Leviatan of Haifa University's Kibbutz Research Centre discussed the central role the kibbutz once played in such national efforts as defence, immigrant absorption and education. "That feeling of being the slave of the nation's needs was essential for kibbutz survival," he said, "because it justified - to themselves and to their relatives - young people's decisions to leave home and give up promising future careers for life on a kibbutz. The question today is whether the kibbutz is still so important in Israeli society."

WBDP The West Bank Data Base Project

Just out

THE GAZA STRIP: A SURVEY by Sara Roy.

A comprehensive study, based on documentation and interviews, of this explosive and underreported region with more than half a million inhabitants living in poverty and political stagnation, despite which it has never received the international attention accorded the West Bank. Softcover, c. 110 pages. Price: NIS 16.95

Soon to be published

THE WEST BANK HANDBOOK, A POLITICAL LEXICON by Meron Benvenisti, with Ziad Abu Zayyad and Danny Rubinstein.

The most comprehensive compilation of social, economic, institutional, legal, cultural, political and military information related to the West Bank, presented in over 250 alphabetized entries. An indispensable practical reference and research tool. Softcover, c. 300 pages, projected publication date August 1986. Price: NIS 44.95

Also available

THE WEST BANK DATA BASE PROJECT 1986 REPORT - a review of the demographic, economic, legal, social and political developments in the West Bank in the past year. This study covers the first year of Israel's National Unity Government and compares the heralded changes in policy with the emerging facts, concluding with a penetrating analysis of the peace process and its repercussions on the West Bank.

JEWISH KIRYAT ARBA VERSUS ARAB HEBRON by Michael Romann.

An examination of the pattern of relationships which has emerged between Kiryat Arba and Hebron with patterns of confrontation, segregation and interaction stemming from the highly ideological struggle for power and territory and the daily problems of living in close proximity. Softcover, c. 100 pages, including original maps.

JEWISH AND ARAB SETTLEMENTS IN THE TULKARM SUBDISTRICT by David Grossman.

A detailed treatment of the various forms of Jewish settlement in western Samaria, a densely populated area adjacent to the "green line" and a prime target for urban Jewish settlers, and their impact on the surrounding Arab communities. Softcover, c. 100 pages including original maps.

The West Bank Data Base Project, which is directed by Dr. Meron Benvenisti, is funded by the Rockefeller and Ford Foundations and administered by the American Enterprise Institute for Public Policy Research, Washington, D.C.

The Project derives its in-depth analyses and evaluations from continuously updated computerized data and is considered the most comprehensive source of data available on the West Bank and Gaza.

To: BOOKS, The Jerusalem Post, P.O.B. 81, Jerusalem 91000

☐ Please send me the Gaza Strip - NIS 16.95

☐ I would like to subscribe to the following WBDP publications.

☐ THE 1986 REPORT and three area studies for only NIS 37.50

☐ THE WEST BANK HANDBOOK and 1986 REPORT for only NIS 55.00

☐ THE WEST BANK HANDBOOK, 1986 REPORT and three area studies for only NIS 75.00

Enclosed is my cheque for NIS made out to

The Jerusalem Post, distributor of these WBDP publications.

Name

Address

City

Code

* All prices include VAT and postage in Israel and are subject to any government approved price rise.

Yeshivat Beit Abraham Slonim Institutions in Israel

Talmud Tora Emet V'emuna, Bnei Brak

On Wednesday, July 16 (Tammuz 9) there will be

GALA DINNER

at 8:30 p.m. to mark the dedication of our new housing project at 14 Rehov Giborei Yisrael, Shechunat Ramat Elhanan, Bnei Brak.

Friends of our institutions, and those who love the Torah are invited to join us in celebrating.

Return transport from Jerusalem is available. Details from Tel. 02-287756.



Gideon Weigert pays tribute to a Palestinian lawyer who was murdered last year. He took an independent stand against Arab intransigence

Aziz Shihadeh, man of courage

RECENTLY, WE marked the 74th birthday of the late Aziz Shihadeh, the son of Boulos Shihadeh, who was born in Bethlehem in 1912 and assassinated on the threshold of his Ramallah home last December.

Shihadeh received his education at two Jerusalem institutions, the Bishop Gobat School and the Jerusalem Men's College, from which he graduated in 1930. Afterwards, he joined his father in editing the Palestinian Arabic *Mir'at al-Sharq* weekly and simultaneously studied at the Mandatory Law Classes.

His father's publication, which ran between 1919 and 1939, was an unusual Palestinian newspaper. As the organ of the opposition Nashashibi Party, it sharply criticized the policy of Haj Amin al-Husseini, Mufti of Jerusalem, and his domination over the Supreme Moslem Council. This independent stand of a Palestinian paper was in itself remarkable, taking into account that at that time political assassination of rivals was already a practice among Palestinian leaders.

By the mid-Forties, Shihadeh had established a fine reputation as a lawyer in Jaffa. In 1948 he moved to Ramallah where, a year later, he opened his law firm together with his younger brother, Faud.

There is no doubt that Shihadeh inherited his outstanding courage from his father. His life and career give ample proof of it. In 1949 he founded the Palestine Refugees Congress and headed a delegation on its behalf at Lausanne for official negotiations with an Israeli team, which was led by the late Eliyahu Sasson.

It was obvious that the detailed talks between the two sides were based on an understanding that fully



Aziz Shihadeh (Rubinger)

and openly recognized the young state of Israel. This move could have been made at that time, and even still today, only by a man of outstanding courage who realized that peaceful negotiations not endless wars, were the only solution to the Palestine problem. Shihadeh was a man who was ready to pay the full price for his convictions.

In 1954 Shihadeh again showed his courage to swim against the prevailing Palestinian current when, together with his colleague, lawyer Mohammed Tewfik al-Yehia, he entered into negotiations which implied the recognition of Israel and the need for bilateral talks.

This time the aim was to obtain the release of thousands of accounts, blocked in Israeli banks, which belonged to Palestinian refugees then living mainly in Jordan (including the West Bank) and other Arab countries. This move met with stiff opposition from Palestinian extremists who resisted any contact with the enemy. But the scheme succeeded;

and hundreds of thousands of dollars along with contents of bank safe deposit boxes were transferred from Israel to their refugee owners.

That same year Shihadeh publicly criticized the rigging of Jordan's parliamentary elections. He was rewarded with an arrest warrant, but fortunately, he was abroad at that time. Only after the dismissal of Glubb Pasha, in March 1956, was he able to return to Ramallah.

MY FIRST meeting with Shihadeh took place in Ramallah in July 1967. It was impossible not to be impressed by his personality, his charm and frankness, even when he did not agree with me. I soon learned to appreciate his abilities as a brilliant spokesman for the Palestinian people.

In meetings with U.S. senators and politicians, with professors and party heads from Europe, Shihadeh repeatedly charmed his listeners with his moderation and logic. Little wonder that time and again I received letters from those visitors who said that their meetings with Shihadeh in Ramallah had been "one of the highlights of our visit to Israel."

Towards the end of the Seventies, Shihadeh became increasingly pessimistic about the role of information in realizing political solutions. He asked to be excused from explaining to foreign visitors his views on how the Palestine problem could be solved peacefully.

His political activities in the last decade are well-known. Despite repeated threats against his life for being "traitor to the Palestinian cause," he participated in various Palestinian delegations which met with foreign dignitaries, and he drafted numerous statements which

called for a peaceful solution of the Arab-Israeli conflict on the basis of mutual recognition. But this never meant that Shihadeh accepted Israel's policy in the territories.

Not long before his tragic death, I received a letter in his neat Arabic handwriting. He wrote that he was about to retire from his professional career and would devote his time to writing his memoirs. "I am aware," he wrote, "that the bulk of the source material on Palestinian personalities is to be found in Hebrew historical textbooks." He expressed his hope that his Israeli friends would help him trace these sources.

Days later, Shihadeh was found in a pool of blood at his Ramallah home.

He had long campaigned to reverse what he saw as Palestinian negativism. On October 6, 1978, he wrote in *Al Quds* an article entitled "The magic word: No." Again he showed himself to be the courageous son of Boulos Shihadeh when he urged his readers to stop using the eternal "magic word" and try to seriously study proposals rather than rejecting them out of hand.

A verse from the Divan of Abu Tammam, the mid-ninth-century Abbasid poet, which characterizes Shihadeh's outlook, reads: "If we lack the bonds of blood relations between us, let's adopt civilization to replace a common fatherhood."

Rest in peace Abu Raja. Your friends and admirers, Jews and Arabs, Israelis and Palestinians, will not forget you.

The writer is a research student at the School for African and Asian Studies of the Hebrew University. The essay above was given as a memorial address at the Hebrew University's Harry S. Truman Institute for the Advancement of Peace last month.

Jordan and Fatah: How deep is the rift?

Hussein: I still recognize PLO

KING HUSSEIN has announced that he still recognizes and upholds PLO despite the closure of 25 offices of its mainstream Fatah group in Jordan last week.

Asked at an unexpected and rare news conference about the future of the PLO, he said: "As far as we are concerned, we have never changed our view that we recognize and uphold the institution of the PLO. We have pointed out that its strength must be derived from its constituency in the occupied territories."

Last February, Hussein broke off joint efforts with PLO chief Yasser Arafat to find a path to Middle East peace after Arafat refused to adopt the UN Resolution which accepts Israel's right to exist.

Asked how he would respond if Arafat wished to resume a dialogue, Hussein said: "I'd like to know the subject," adding in Arabic, "once bitten, twice shy."

"We are not new to the leaders of



In friendlier days.

the PLO and we have witnessed over the years a number of lost opportunities," he added.

Hussein said he believed Palestinians must have a say in their future and should participate in any solution to their problem.

But as to the PLO leadership that Palestinians in Israel's administered territories would choose, he said: "That is their prerogative; we can do nothing about it. But it is our duty to tell them the truth. I felt what I was

discussing (in February with the PLO) had a bearing on the future of everyone."

He added that Palestinians should pick the leadership they thought best able to regain their lands.

Hussein also said he fully supported the Franco-Soviet declaration on holding a Middle East peace conference under the aegis of the UN Security Council. He described the Soviet view as "a very, very important development." (Reuters)

Arafat: They won't manage to shut us out

PLO LEADER Yasser Arafat has announced that the West Bank should be put under UN administration as a step towards resolving the Middle East conflict.

"I propose for the first time that the occupied Palestinian territory be turned over to the United Nations," Arafat told the West German Magazine *Der Spiegel*. "I'm ready to provide all security guarantees. The only thing I want is for my people to finally have a place to live in freedom."

The interview took place after Jordan's King Hussein shut down 25 PLO offices and imposed severe restrictions on the movements of Arafat's top aides.

Hussein's move was apparently grounded in anger over Arafat's refusal to move towards a Middle East peace settlement by accepting the UN resolution that recognizes Israel's right to exist within secure borders.

Arafat denied having any dispute with Hussein, but charged that the Jordanian king tended to "knuckle under" to U.S. pressure not to treat the PLO as an equal partner in the peace process.

"There is no dispute between me and King Hussein. I only have a

problem with the government of His Majesty."

Arafat added that the Jordanian government was trying to find an alternative to the PLO but would not succeed.

"They won't succeed in shutting us out. We (the PLO) are the most important factor in the Middle East. Nothing works without us."

Palestinians and Jordanians are one people. No one can keep us apart. We have the same destiny."

Israel and the U.S. favoured Hussein's efforts to revive the Middle East peace process in a series of talks with Arafat. But American and Israeli officials refuse to negotiate with Arafat because, they say, the PLO is a terrorist organization bent on destroying the Jewish state.

Arafat has rejected UN Resolution 242 as a peace platform because it classifies the Palestinians as refugees and not as a nation with a claim to the West Bank.

Arafat was quoted by *Der Spiegel* as saying he would be ready to accept the UN Resolution. "If the Americans would recognize in the same breath the right to self-determination of my people."

He claimed that Hussein's closure of PLO offices would not finish off

his organization.

"Every Palestinian, whether child, woman or man, count as resistance fighters. Even after our withdrawal from Lebanon (in the 1982 war), our struggle against Israeli occupation did not ebb. The Israelis still don't have peace in the Galilee. They have to admit that our rockets are one again striking northern Israel."

The PLO leader repeated that he had nothing to do with the Palestinian hijacking of the Italian cruise ship *Achille Lauro*, and he denied responsibility for the actions of Abu Abbas, the convicted hijack ring leader.

"Abu Abbas doesn't interest me. I'm chairman of the PLO, not of the Abu Abbas group (Palestine Liberation Front)."

An Italian court last Thursday sentenced Abbas and two of his men to life imprisonment for organizing the hijacking in October 1985. All three were tried in absentia.

Three captured Palestinians, who actually seized the cruise ship, were sentenced to terms of 15 to 30 years. (Associated Press)

The Middle East page is edited by Yehuda Litani

The rise and fall of Tunisia's premier

EVERYONE KNOWS the maxim that a political career resembles a ride on a carnival ferris wheel — at times ascending and at times descending; one moment at a breathtaking climax and a moment later sweeping the floor.

So it was for Mohamed Mzali, Tunisia's prime minister, who was dismissed from power last week by the 82-year-old Habib Bourguiba, the country's president-for-life.

Only three months ago, Mzali was the omnipotent man in Tunisia — prime minister and minister of the interior. In addition, five government ministers were his unmistakable allies, including his wife Fatma, for whom he had created a special office: "Ministry for the Family and the Advancement of Women."

Most important, Mzali was the proclaimed heir of Bourguiba for the number-one position in the state — the presidency.

While in democratic regimes a prime minister may fall by a parliamentary vote of no-confidence, in dictatorial governments such a political tumble often is the work of one man alone — whether he is emotionally stable or not.

Such, apparently, was Mzali's fate when he was discharged by the aging and senile Bourguiba after being hand-picked as the president's successor six years earlier.

But the intrigues and power struggles which many believed led to Mzali's dismissal were, according to reports, partly the work of the prime minister himself.

Mzali's great mistake was to be diverted by the quick conquest of all the governmental reins of power. In the process, he entangled himself in Bourguiba's private life — most notably the affairs of Bourguiba's

Ya'acov Lamdon on why Bourguiba decided to sack Mohamed Mzali

powerful and domineering wife, Wassila. And that step may have ultimately led to his demise.

Mzali was prominent in the beginning of the 1970s for his activities in the Bourguiba's ruling Destourian Socialist Party. But he caught Bourguiba's attention only at the beginning of the 1980s, with the widening of the split between Bourguiba and his son, then viewed as the president's heir apparent.

By this time Bourguiba's health had also seriously deteriorated following a heart attack. And this intensified his search for an heir who could take over after his death.

In 1980, Bourguiba appointed the relatively youthful Mzali as prime minister and his designated successor. He gave Mzali his complete support permitting him to staff several ministries with his own supporters and to silence his rivals.

The "bread riots" that occurred in Tunisia at the beginning of 1984, following the sudden increase in the price of bread, did not undermine Mzali's standing. Bourguiba fired his minister of interior, and subsequently appointed Mzali in the post.

But while Mzali could weather economic crises, he apparently was unable to survive the tempests of Bourguiba's personal life.

At the beginning of the year, a dispute occurred between Bourguiba and his much-loved Wassila.

Wassila had demanded that her husband free the director of the Tunisian national airlines, who had been arrested on charges of corrup-



President Bourguiba (Camera Press)

tion and financial irregularities. Apparently Mzali had a part in reinforcing the schism between Bourguiba and his wife, as he was concerned by Wassila's persistent interference into the affairs of the state.

Bourguiba dismissed Wassila from the influential positions she held and began divorce proceedings. A short time later, she was admitted to a hospital, suffering from high blood pressure.

In order to reinforce his influence on Bourguiba, Mzali decided to surround him with new faces.

He brought another woman to the president's palace, a Bourguiba family member by the name of Saïda Sassi. Her role was to brighten the

life of the venerable Bourguiba, and compensate him for the loss of his wife.

Then, the prime minister replaced the head of Bourguiba's personal office with a man loyal to Mzali himself — Mansour Skhiri. By doing this, Mzali thought he would isolate the senile Bourguiba, and protect himself from Wassila's supporters. However, events proved otherwise.

Wassila recuperated and brought information about the questionable activities of Mzali's associates — activities bordering on the corrupt — to her estranged husband. She threatened to publish her findings if Bourguiba didn't "clip the wings" of Mzali.

(According to some other reports, Saïda Sassi also began to contest Mzali's authority, while Mzali's new appointee, Skhiri, became a rival for the prime minister's post.)

Meanwhile, domestic unrest in Tunisia, following the Israeli Air Force attack on the PLO headquarters in Tunis and the arrest of opposition leaders, didn't bolster Mzali's popularity. He began to lose both status and support.

First, Mzali was removed as interior minister. Then, Bourguiba dismissed several pro-Mzali ministers from the government. And his wife Fatma was fired from her own ministerial post — the final blow, before Mzali's own discharge.

With the removal of Mzali from all of his posts and the appointment of former finance minister Rashid Star as prime minister, the process was complete.

Tunisia's former "First lady," had exacted her revenge upon the man who, according to her estimates, robbed her of everything — husband, palace and rule!

The soldier who could succeed Mubarak

IN EGYPT, domestic discontent could very easily explode into rioting which could sweep the Mubarak government aside. Widely tipped as a successor is Defence Minister Field-Marshal Abdul Halim Abu Ghazala. A long-standing advocate of much tougher handling of dissenters, Abu Ghazala has the backing of the powerful Business Association in Cairo. This body, linking the country's leading businessmen and bankers, favours acceptance of International Monetary Fund austerity measures.

Abu Ghazala is also strongly pro-United States, and is understood to have tipped off Washington about the departure from Egypt of the territories who hijacked the cruise liner *Achille Lauro* last year. The information enabled U.S. fighters to force down the hijackers' plane in Sicily.

It is also understood that the U.S. favours Abu Ghazala for the presidency. Not only would he be prepared to use force to impose economic reforms wanted by Washington; he could also be counted on to resist growing pressure from the Egyptian military to balance the country's military relationship by acquiring significant supplies from the Soviets, particularly of air defence equipment.

A clear rift is already evident in the Egyptian cabinet between Abu Ghazala's backers and Mubarak loyalists, who favour economic caution, an avoidance of too close an identification with Washington, and tolerance of domestic dissent. Street violence sparked by IMF austerity could well be the cue for a coup.

Divisions have emerged in the Egyptian government on economic policy. There is speculation that this could bring a change in leadership. Alan George reports from London.

IN IMF official recently urged Cairo to reschedule its \$35 billion foreign debt in an "orderly" fashion, and Prime Minister Ali Lutfi disclosed recently that a high-level delegation led by Deputy Prime Minister Kamal al-Ganzouri would visit Washington soon for talks with the IMF and the World Bank.

Egypt's massive debt was at least manageable until the sharp fall in oil prices. Cairo's oil revenues last year totalled \$1b., but the 1986/87 budget projects a 43 per cent decline to only \$575 million.

At the same time, remittances from Egyptians working in the Gulf states have fallen, as these countries have reined-back their development programmes. Last year remittances totalled \$2.4b. but only \$2.2b. is anticipated this year.

A further crippling blow has been the catastrophic slump in tourism stemming from Western fears over Middle Eastern terrorism and concern over the rioting by Egyptian police units earlier this year. In June, tourist arrivals were estimated to be down by 80 per cent.

Even Suez Canal revenues are now set to decline as the result of a drop in tanker traffic from the Gulf. The budget projects a 6 per cent fall in 1986/87.

These trends, aggravated by the fall in the value of the U.S. dollar,



Defence Minister Ghazala (Hanania Hedman)

have combined to encourage a spiralling current account deficit. In 1984 the deficit was \$2.08b. Last year it expanded to \$3.05b., and this year's deficit is expected to exceed \$4b.

RESORT TO the IMF has become inevitable. However, the fund will demand its usual package of austerity measures, and these could spark serious unrest in Egypt. Lutfi has said that the IMF will be offered a programme including government

spending cuts, a reduction in the number of exchange rates from four to three, measures to curb imports and to boost industrial and agricultural output, and a reduction in subsidies.

The issue of subsidies is bound to prove a major stumbling-block. The government spends some \$2b. per year on direct subsidies, especially on food. Moreover, there is a range of even more costly hidden subsidies. For example, oil products are sold domestically at prices way below international levels, entailing a bill for the government of about \$2.8b. annually.

For millions of Egyptians, the subsidies are vital for even a minimum standard of living. In 1977, an attempt by President Sadat to cut food subsidies had to be hastily abandoned after the move sparked widespread rioting. In the 1986/87 budget, subsidies are cut by 12.5 per cent. This is dangerous enough, without any further IMF-imposed reductions.

President Mubarak's difficulties are compounded by rising discontent at Egypt's alignment with a U.S. perceived as following anti-Arab policies in the region, and at Cairo's peace treaty with Israel, which has not brought the promised economic revival at home. Related to these sentiments is a resurgence of uncompromising Islamic fundamentalism. The anti-Western resentment would merge powerfully with anger over any IMF austerity programme — especially since the latter would be seen as having been dictated by Washington. (London Observer Service)

(Advertising Section)

Buy-line

TEL AVIV AREA ★ GUIDE TO SHOPPING RESTAURANTS AND SERVICES

To appear in this column, phone Marvin, 03-294222, 483804.

BATIA JEWISH RESTAURANT

Special take-out service

For more than 45 years The Oldest Jewish Restaurant in Tel Aviv has been serving its home made Jewish food including gefilte fish, chopped calf's foot, leek, stuffed cabbage and pepper, roast meat, chicken, meat balls, goulash, schnitzel and countless other courses normally associated with a Jewish grandmother. In addition, on Fridays and Saturdays, special cholent and kishke meals are prepared. Full meals normally range from 4 to 6 dollars. 197 Ditzengoff St., Tel. 03-221335.

SOLAROID (Roller Blinds)

For the spring and summer, Solaroid has many surprises, special offers and ideas. Their beautiful roller blinds from Sweden are suitable for home or office, in fact wherever there's a window; & they are attractive and practical. They diffuse harsh sunlight and at the same time provide a stunning decorative backdrop. Those for children's rooms are especially delightful. Made from 100% cotton or linen, they are colourfast, steam and dirt resistant and so easy to clean, and they come in all sizes. Also, the latest in window fashion — Panels on rails that will give your living room the latest in elegance. See our special display and enjoy our personal service at our showroom: SOLAROID LTD., 282 Ditzengoff St., T.A. 03-441178. Branches in Jerusalem, Haifa, Hadera, Netanya, and Beersheba.

AN AUTOGRAPHED COPY OF THE ROGUE'S GUIDE TO ISRAEL

ISRAELI CUISINE, or THE JEWISH KITCHEN

Simultaneously entertaining, informative, delightful and outrageous, these marvelous books provide unique points of view on everything Israeli and Jewish, as well as a series of excellent recipes.

Free with the purchase of NIS 100 or more from any of the shops of DELICATV.

The best kosher meals in Israel Tel Aviv — Ditzengoff Centre, Ramat Gan — Canyon Ayalon and Beik 64, Ramat Hasharon — Sokolov 68, Raanana — Ahuzat 117.

REUVEN GROZOVSKI O.D.A.F.A. Optometrist

EST. 1919

27 Mahalot Binyamina, Tel Aviv Tel: 03-623988, 621685

The first optical shop in Tel Aviv (since 1925), the latest collection of frames by Dior, Durrell, Cartier, Pucci, Ch. Jourdan, Lacoste and many others

Hours: Sun., Mon., Wed. — 9:30-4:00 Tues., Thurs. — 9:30-1:30

For your convenience call for an appointment 03-623988

75,000

75,000 pairs of eyes are reading these words throughout Israel. 71% of all the above readers don't read any other Israeli daily paper — so The Jerusalem Post is their only source of information. Doctors, lawyers, engineers, accountants, diplomats, new immigrants — the average buying power of these readers is much higher than that of any other daily newspaper. This column contains information and a guide to businesses, retail stores, restaurants and entertainment in the TEL AVIV area. For the advertiser, the column offers the opportunity to meet the consumer and display his/her service. So, advertisers and readers — meet together every Wednesday and Thursday in the BUYLINE for the latest WHAT'S WHAT IN TEL AVIV.

ZION EXCLUSIVE

Within the walls of the "Zion" building are located two Yemenite/Middle-Eastern restaurants.

Zion: For 30 years, this popular Yemenite restaurant has been serving fresh, kosher food at reasonable prices. Zion's delicately flavoured dishes, most notable stuffed artichokes, pears, roast lamb, sweet redish and its famous soups — yours to taste in a meal that cannot be duplicated anywhere.

ZION EXCLUSIVE: For a Special Treat — For Special People — For a Special Occasion.

Walk into another world, where your every dining whim will be satisfied. A complete line of kosher Yemenite food, served in an exotic atmosphere. Tel. 03-657323, 658714, 28 Pedu'im St., Tel Aviv.

BOGRAHOF

The famous beachfront place for eating and relaxing, in rain or shine, BOGRAHOF, where the action is.

SEA LEVEL — Delicious Yemenite/Middle Eastern food created by the famous Zion of 'Zion Exclusive'.

UPPER DECK — Your favourite refreshments, snacks and cool desserts.

Enjoy your place in the sun at our beach. Deck beds, umbrellas, quality food and drink at your back and call, morning, afternoon or evening. Open all day till the wee hours. On the beach near the American Embassy. Tel. 03-237822

MARVIN

MARVIN L. FRIEDMAN

Phone The Jerusalem Post, Tel Aviv, 03-294222, or 03-483804

Moshav enters beauty business

ARISTOTLE reputedly persuaded Alexander the Great to conquer an entire island in order to get some of it; soon, Israeli women will be able to buy cosmetics containing this locally grown special ingredient.

Aloe vera, a gel contained in the leaves of a plant being grown in Ein Yahav, an Arava moshav, is used to treat blisters, fungi, itching and burns. Aristotle wanted Alexander the Great to get the gel for rubbing on his soldiers' wounds. It can also serve as a base for lotions, creams, shampoos and soaps.

According to the May issue of the *Israel Economist*, the moshav — the only place in Israel to grow aloe vera on a commercial basis — has just started providing the cosmetics industry with the gel. Until now, it has been selling only the leaves and potted plants. It already markets tissues and towellettes soaked in the gel, and within a year expects to make its own gel-based cosmetics. Aloe vera drinks, including a tea, are also planned.

The moshav, with its hot, dry and sunny climate, is a natural habitat for these plants; those used to start the plantation were imported from Texas. Today, 100 dunams are planted with aloe vera, 10 of them ready for harvesting, and 150 more are about to be planted. Every 10 dunams of aloe vera yield up to 15 to 20 tons of gel.

Although it is 90 per cent water, the gel is an unusual mixture of antibiotics, astringents, coagulating agents, pain inhibitors and growth stimulants, says the *Israel Economist*. It even contains a hormone that accelerates the healing process.

Enriched food for the needy

A NEW food that can ease the plight of the starving is the subject of another report in the *Israel Economist*. It is produced by the Israeli company that recently came out with partially baked rolls and pitta that can be stored for months on the shelf and then heated.

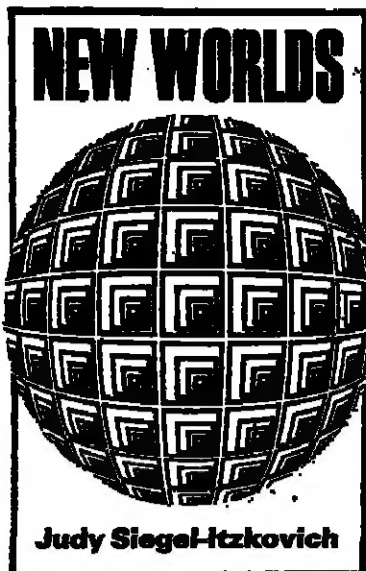
Ma'adanei Bar of Einat, a kibbutz near Tel Aviv, is now in the final stages of "Operation Ethiopia," the code name for the development of a specially enriched food for the poor.

The Agriculture Ministry asked Ma'adanei Bar to undertake the project, as the kibbutz has experience in mixing very large quantities of some ingredients with very small quantities of others.

Other firms making concentrated food for the starving have produced food pellets, but the kibbutz wasn't sure nutrients in this form would prove palatable.

They consulted with newly arrived immigrants from Ethiopia to find out what they would eat. The result was an onion-flavoured flat bread resembling that eaten by Israeli Beduin. Since Ethiopians prefer food they themselves prepare to a finished product, the "bread" comes as a paste, which is mixed with water and baked. A porridge version is also available for children and the elderly.

The product will be sold abroad, and it has already aroused the interest of Egyptian officials. The chief



Judy Siegel-Hitzkovich

scientist of the Egyptian Agriculture Ministry recently visited the kibbutz and expressed interest in establishing a joint venture to build a factory in Egypt that would use Israeli expertise to produce the enriched food for Africa's starving.

Pocket-machine for copying

THE TINIEST photostat machine, amazingly small enough to hold in the palm of the hand, has just appeared on the Israeli market. Called "Copy Jack," it should interest businessmen, journalists and detectives. To make a copy of a document or any other piece of paper, one merely has to pass the machine over it while pressing a button. The copier produces an accurate copy 45 millimetres wide and of unlimited length.

The importer, Electis, is selling it for NIS 500 plus VAT. It also claims that there is no need to heat up the machine, as with conventional copiers, or call in a technician for periodic cleaning.

The end of yet another mystery?

THE MYSTERY of how elephants communicate with each other even when they are separated by vast distances may have finally been solved.

Science Digest in June reported research by experts at New York's Cornell University (not located in elephant country) who found that low-frequency calls are emitted from the forehead of an elephant. The skin over an opening to the nasal passage vibrates like a drum. The researchers believe that the sound actually emanates from the vocal cords. The sound is so low that human ears cannot hear it, but it apparently allows elephant to keep in touch even when they can't see one another. These sounds travel more than 20 km. The researchers will send representatives to Africa in the coming months to get on-the-scene confirmation.

If the skin-vibration theory is proved, it will mean that the elephant is the second mammal found to communicate by low-frequency sounds. The first is the whale.

Some Tel Aviv nightclubs are installing a new Israeli-designed high-tech sound system that improves the musical quality and allows the neighbours to sleep, writes SIMSON L. GARFINKEL

Keeping one's noise to oneself



Dr. Michael Strumpf of Acoustics Israel displays his company's sound-level metre.

SOME NIGHTCLUBS may soon be bothering their neighbours less and providing their customers with better music as a result of an innovative sound system. The system, designed by Acoustics Israel, a Herzliya-based consulting firm, will also allow people sitting at adjacent tables to listen to different music without interfering with one another.

A little over a year ago, residents and hotels around the Kikar Namir atrium filed several complaints with the Tel Aviv municipality protesting the excessive noise coming from nightclubs in the area. The noise was coming from television sets which the nightclubs were using to show rock videos.

"All the shops need video and TVs to provide entertainment," said Tuvia Lavi, general manager of Sherutur Service Company which manages the nightclub properties. "Two to three shops always compete. Each one puts on higher and higher sound." The nightclubs received several summonses to court because of the noise, said Lavi. Some of the clubs were fined.

Besides the volume competition, the layout of the nightclubs encourages the proprietors to play their television sets loudly. The Kikar Namir nightclubs have large-screen televisions in counter windows that face outside tables and chairs. In order for people far away from the televisions to hear, the volume has to be turned up very high.

For the patrons of the nightclubs, the loud televisions are also bothersome. People in the rear still can't hear, even when the sets are turned up loud. And the people in the front are blasted.

The problem, according to Dr. Michael Strumpf, president of Acoustics Israel, is that the television speakers were never designed to deliver quality sound to people sitting 10 metres away. Most give good

sound to people sitting two or three metres away. When TVs are forced to produce intelligible sound over greater distances, the noise can be heard in houses and hotels within several hundred metres.

The Interior Ministry establishes the maximum noise a company may make in a residential area, explained Strumpf. During the day, it is illegal to make a noise for more than three hours which exceeds 55 dbA in the centre of a room with the windows open. Fifty-five dbA "is about as loud as a quiet air-conditioner," said Strumpf. But during night-time hours, which Tel Aviv defines as 11 p.m.-6 a.m., it is illegal to make a noise that exceeds 40 dbA in the centre of a room in a residential area. Forty dbA is as quiet as a whisper, Strumpf continued.

SHERUTAR and the nightclubs were informed by a Tel Aviv municipal judge that if they did not solve their noise pollution problem, they would be forced to close. "I looked for something," said Lavi, "to let the shops stay open, rather than have an

empty [project] or a white elephant." That's when Lavi turned to Acoustics Israel.

Since the television speakers were the cause of the noise problem, the first thing Strumpf did was remove them. The speakers inside the TVs have been replaced with small, highly directional speakers mounted behind the nightclubs' outside tables. Each speaker supplies sound to three or four tables. Sitting at the tables, the sound from the speakers is far superior to the sound which came from the televisions. Standing behind the speakers — and at the nearby hotels and residences — nothing can be heard.

At the larger clubs, it is now possible to show different videos on different televisions without sounds from two programmes interfering with one another. It is also possible to supply different music to different clientele: quieter, slower-paced music to the clubs' older patrons, for example.

The speakers are controlled by a constant volume amplifier, designed specifically for installation by Dr.

stated the effectiveness of Minoxidil and understated its risks. Upjohn stock dropped sharply after the FDA's announcement, closing Friday at \$92.50.

William Kronholm Washington

That application is pending, but the course of the review process, usually a staid and analytical procedure, has been a circus since word of the drug spread.

BASED ON early research, thousands of bald men besieged their doctors for help. Physicians responded with prescriptions for Lofiten and directions for a pharmacist to crush the pills to powder and dissolve them in solution.

That is legal. Although both the FDA and the company say they frown on the practice because of the potential risk of the untested procedure.

On Wall Street, speculators — seeing a potential market some estimate at \$5 million Americans — sent Upjohn stock soaring. It went from \$33 a share in early 1985 to \$174 a share on May 2, when it split 2-for-1, then to \$103.75 on June 13.

The market's concern about possible FDA action was dramatically demonstrated last week when the agency released a letter to Upjohn accusing it of issuing a misleading press release about the drug. The FDA said the release over-

BUT THE FDA's letter sharply rebuked the company and opened the question of whether Minoxidil really grows hair without undue risk.

The company, in the disputed press release, said clinical trials at 27 medical centres showed significant hair growth in a substantial proportion of balding men treated.

Of those applying a 2-per cent solution of Minoxidil, apparently the optimal dose, 40 per cent reported moderate hair growth and eight per cent called it dense, the company said.

In 65 per cent of those receiving the 2-per cent solution, the size of the patient's bald spot decreased. There was no change in 20 per cent of the patients, and the bald area increased for 15 per cent, Upjohn said.

"No major side effects attributable to the drug were detected," the company said. The only apparent side effects were common skin problems such as itching and scaling.

Though there have been 10 deaths among people who used solutions of Minoxidil, none appeared linked to the drug, Upjohn said. But William Purvis of the FDA's

Strumpf and built by an Israeli electronics firm. The amplifier "listens" to the level of the speakers through strategically placed microphones and adjusts the volume accordingly, turning it down during loud sections and up during the quiet parts. It works "like an automatic recording control," a tape recorder," said Strumpf.

Initially, the system is being installed in five of the 12 nightclubs in the area. If it proves successful, Lavi hopes to have the rest of the nightclub operators install similar equipment.

Early reactions to the system by the nightclub managers has been enthusiastic. In one large club "when you sat in the front near the TV you couldn't hear — too loud. In the back, they didn't hear either. Now, every place they hear the same sound," said Baruch Holland from the Sunset.

In addition to controlling the level of the sound, the new system also monitors the volume of music and records this information, along with the time and day, in the main office of Sherutur. In the past, when complaints were made, it was not possible to determine which nightclub was responsible for the noise: each nightclub said that another was the source. Now, if one nightclub turns its music up too loud, that information will be recorded for the management — and the courts — to see.

The only problem with the system is the cost: the base unit, consisting of a speaker and the constant volume amplifier, costs between \$4,000 and \$5,000, said Strumpf. Most of the nightclubs end up spending \$10,000 to \$15,000, said Lavi. "It's an expense that you have to take into account," said Strumpf. "You just can't pollute."

"This is the only way [the operators] could keep the cafes open," said Lavi. "I think this can be very good for all kinds of shops and also for weddings and bar mitzvas."

Controversial baldness drug



Apart from those personally interested, stock market speculators are awaiting the drug's approval.

Drug Advertising and Labeling Division said the company's press release "falsely portrays Minoxidil as an innocuous drug. It is our position that Minoxidil is a potent drug for which the full safety and toxicity issues for chronic topical use have not yet been fully evaluated or elucidated."

Open questions include the possible side effects from using the drug over long periods, Purvis said. Even when it grows hair, Minoxidil must be used permanently or baldness returns, but the drug studies cited by the company lasted only a year.

Purvis also said the risk of possible interactions between Minoxidil and other long-term drugs, such as blood-pressure pills, has not been determined. Even in a 2-per cent solution rubbed on the skin, at least some Minoxidil makes its way into the bloodstream. (Associated Press)

BRIEFLY

Israel develops oyster mushroom

A NEWLY cultivated variety of mushroom, the oyster mushroom, is now being sold in Israeli supermarket chains.

Dr. Dan Levanon, of the Hebrew University's Faculty of Agriculture and Migal, an R & D company belonging to Jewish settlements in the Upper Galilee, has perfected methods for its cultivation in Israel, in collaboration with two faculty professors and other graduates. The mushrooms are now grown indoors on a bed of compost, wheat and cotton straw in the Upper Galilee kibbutzim of Kfar Blum, Sasa and Manara, who market them under the commercial label of Jordan Forest Mushrooms (*priori ya'ar yarden*).

The oyster mushroom (genus *Pleurotus*) is sturdier and easier to grow than the familiar cultivated champignon. It can similarly be prepared in a variety of ways, but it is also delicious, say the growers, breaded and fried like schnitzel.

The researchers at the Faculty of Agriculture and Migal hope to expand cultivation for both local consumption and export.

Australia's odd export

AUSTRALIAN scientist Peter Room flew to Sri Lanka recently with 4,000 tiny black weevils in his hand luggage. They have become a unique Australian export and are currently going about their business in Asia and Africa, as well as in Australia.

The two-millimetre long weevil, an aquatic beetle the size of a match-head has an insatiable appetite for salvinia, a fast-spreading water weed which can have devastating effects on fishing, food gathering and water transport. Prevalent throughout the tropics and subtropics, salvinia can double in volume every eight days.

Four years ago a similar mission under the auspices of the UN took Room to Papua New Guinea. A thousand weevils released there in the salvinia-choked Sepik river system grew to a population of one billion and reduced the amount of salvinia from 250 square km. to about 200 sq.m., according to Room.

Since then India and a number of Southeast Asian countries have sought help. The UN is planning a regional project for Indonesia, Malaysia, Singapore and the Philippines.

Top world science students here

SEVENTY-NINE top science students from 18 countries are participating in the Weizmann Institute's 18th annual Dr. S. Bessie F. Lawrence International Summer Science Institute, now being held on campus at the Weizmann Institute in Rehovot. Four English-speaking Israelis are also taking part in the project.

The first two weeks of the month-long programme are devoted primarily to orientation lectures and laboratory work. But the teenagers will also visit various science-based industries, including the Israel Aircraft Industry, four Jerusalem and the Galilee, and visit Negev field schools where they will be introduced to the ecology, geology and archaeology of the desert region.

JUST OUT

MIDDLE EAST MILITARY BALANCE 1985

The 1985 Middle East Military Balance, by Mark Heller, Aharon Lavan and Zeev Eytan, edited by Mark Heller — the most detailed data base and analysis of military forces in the Middle East is available for public distribution.

This book surveys strategic events in the region during the preceding year — a favourite resource for students of Middle Eastern affairs and for the layman who follows events in the area. "An invaluable reference work without peer in any language." — Orbis.

NIS 49.00.

JCSS PAPERS — the experts' opinion

Tel Aviv University's Jaffee Centre for Strategic Studies (JCSS) is a leading academic think tank on national strategy issues. The following four papers have been published during the past year:

- Nimrod Novik, The First Reagan Administration and Middle East Realities
- Anat Kurz and Ariel Merari, ASALA: Irrational Terror or Political Tool
- Elram Karsh, The Cautious Bear: Soviet Military Engagement in Middle East Wars since 1967
- Shmuel Meir, Strategic Implications of the New Oil Reality

PRICE FOR ALL PAPERS: NIS 29.95

INTER 85, A Review of International Terrorism in 1985

Project on Terrorism: Sophia Kotzer, Anat Kurz, Ariel Merari, Tamar Prat, Yoram Schweitzer

Inter 1985 surveys international terrorism in 1985. It contains statistical data which delineate various aspects of international terrorism, as well as brief analyses of trends in Palestinian terrorism, Shi'ite terrorism, and in western states' response to terrorism. A chronology of significant international terrorist events in 1985 is included, as well as extensive tables and a glossary of terrorist organizations.

Projected publication date end of July — NIS 19.50

TEL AVIV UNIVERSITY

JCSS
Jaffee center for
strategic studies

To: BOOKS, The Jerusalem Post, P.O.B. 81, Jerusalem 91000
Please send me the JCSS publications indicated below.
I enclose a cheque for the appropriate amount.

- ☐ MIDDLE EAST MILITARY BALANCE — NIS 49.00
- ☐ INTER — NIS 19.50
- ☐ BOTH ABOVE ITEMS — PACKAGE PRICE — NIS 55.00
- ☐ 1985 PAPERS — NIS 29.95

NAME _____
ADDRESS _____
CITY _____ CODE _____
Tel. No. _____

* Inter will be sent separately upon publication

GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Yanushaleyn, 212 Yaffo, 520773; Beisam, Saleh Edlin, 272315; Shu'afat, Shu'afat Road, 810108; Dar Alde- wa, Herod's Gate, 282058.
Tel Aviv: Brit, 28 King George, 283731; Bavi, 1 Uziel, corner 10 Toldano, Bavi, 440552.
Netanya: Trufa, 2 Sderot Herzl, 28956.
Haifa: Hanassi, 33 Sderot Hanassi, 333312.

DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatrics), Hadesah Ein Karem (Internal, obstetrics, ophthalmology, E.N.T.), Hadesah Scopus (surgery, orthopedics).
Tel Aviv: Rokah (pediatrics, Internal, surgery).
Netanya: Laniado.

FLIGHTS

24-Hours Flight Information Service: Call 03-6712494 (multi-line). Arrivals Only (Typed Message) 03-361111 (20 lines)

FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333
Ashkelon 23333
Bat Yam *5611111
BeerSheva 74767
Carmiel *566555
Dan Region *781111
Eilat 7233
Hadera 22333
Haifa *512233
Holon 36333
Holon 803133
* Mobile Intensive Care Unit (MICU) service in the area, around the clock.

"Eram" — Emotional First Aid, Tel: Jerusalem 227171, Tel Aviv 2611112, Haifa 67222, BeerSheva 418111, Netanya 35316.
Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem — 245554, and Haifa 88731.

Jerusalem Institute for Drug Problems, Tel. 663828, 663902, 14 Bethlehem Rd.

The National Poison Control Centre at Rambam Hospital, phone (04) 222035, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre: Tel. 03-433300, 433600 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

POLICE 100

Dial 100 in most parts of the country. In Tel Aviv dial 224444, Kiryat Shmona 4444.

The New Complete MEDICAL AND HEALTH ENCYCLOPEDIA

Edited by
Richard J. Wegman, M.D.

Finally, a complete, authoritative reference work written expressly for the non-professional — a medical encyclopedia that clarifies and instructs. This four-volume, 1412-page set covers the basic body functions, symptoms of diseases, general nature of illnesses and the probable course of corrective action.

Includes a Medical Emergency section, edged in red for instant reference; articles written by specialists on heart disease, cancer, diabetes and other major illnesses; complete coverage of physical fitness, sex and sexuality, nutrition and weight control. All the up-to-date medical knowledge of vital concern to your entire family, from newborns to the elderly. Published by Lexicon.

List price: NIS 142.50*

SPECIAL OFFER TO
JERUSALEM POST READERS — NIS 112.50
or a total of NIS 120. — in 4 monthly instalments

To: BOOKS, The Jerusalem Post, P.O.B. 81, Jerusalem 91000
*Please send me THE NEW COMPLETE MEDICAL AND HEALTH ENCYCLOPEDIA

- ☐ At the special price of NIS 112.50. Enclosed is my cheque for NIS _____.
- ☐ I will pay 4 monthly instalments, the first of NIS 30. —, the other three linked to the exchange rate for the dollar on the date of payment.

Enclosed is my cheque for NIS _____ to cover the first instalment

☐ I would like to pay the remaining instalments by bank transfer.

NAME _____
CITY _____ CODE _____ TEL _____
ADDRESS _____

"It's probably nothing..."
but what if it's something?

Report suspicious objects! Dial 100.

Price index rose 1.6 per cent in June

By AVI TEMKIN
Post Economic Reporter

The Consumer Price Index rose by 1.6 per cent last month – the lowest level of inflation for June for the last 10 years – the Central Bureau of Statistics said yesterday.

Wage-earners will receive no compensation for the rise in prices in their July wages. Nevertheless net salaries are due to go up some 1.8 per cent, since the Treasury will adjust income tax brackets by 5 per cent.

June's inflation brought the consumer price index to 148.1 points, compared with the 1985 baseline of 100. The inflation figures released by the bureau showed that in the first half of the year the index climbed 8.6 per cent, or at a 17.9 per cent annual rate.

Reacting to the inflation figures Finance Minister Moshe Nissim said yesterday that it was too early to celebrate. "Nobody should get the wrong conclusions from this month's inflation rate, or those of the last months. Recently a threat to stability has emerged. Consumption levels have surged and industrial relations are shaky," he said.

Nissim called on unions thinking about wage demands to look what happened to the index. "We did not give up even when there was a strike going on at the country's hospitals for 17 days," he said. Nissim added that if a successful policy of wage restraint and fiscal discipline is implemented, stability would be a permanent feature of the economy.

The minister said that under such conditions he would envisage a reduction in taxes, adding that the reduction of National Insurance Institute fees by employers would be

permanent. There are plans to keep the exchange rate of the shekel relative to the dollar fixed, provided there are no wage increases, he said.

The Treasury announced yesterday that together with the increase in the CPI it was adjusting the travel tax. As of tomorrow at midnight the tax will rise from NIS 191 to NIS 194 (approximately \$130). Travellers to Romania will pay NIS 97.

The 1.6 per cent increase in June came mainly from a 4.1 per cent rise in food prices, reflecting cuts in subsidies of basic foodstuffs made in mid-May, and housing prices. The bureau, which calculates housing prices on the basis of construction costs, reported they rose 1.8 per cent in June. These two items accounted for 75 per cent of the inflation rate for last month. Nevertheless housing prices are still 4.3 per cent lower than at the beginning of the year.

The price rises were offset by a decrease of 2.3 per cent in the prices of fruits and vegetables. Fresh produce prices have risen 23 per cent since the end of December, compared with a rise of 8.6 per cent for the entire CPI.

Speaking about this month's inflation rate bureau officials said July traditionally registers low inflation rates. They added that usually fresh produce prices go down in July. In addition the bureau will publish the results of its quarterly survey of housing prices, which will replace the estimates it made for the last two months. If the actual prices for April-June are lower than the estimate, the bureau will introduce an estimate that will push the index further down.

Yahad to get positions in Hevrat Ha'Ovdim board

By ROY ISACOWITZ
Post Political Reporter

TEL AVIV. – Representatives of Minister without Portfolio Ezer Weizman's Yahad Party are expected to be included in the new management committee of Hevrat Ha'Ovdim, the Histadrut holding company.

Histadrut Secretary-General Yisrael Kessar told the central committee this week that the new Hevrat Ha'Ovdim lineup will be submitted to the Histadrut executive for approval at its next sitting.

The inclusion in the management committee of Yahad, which is not represented in the Histadrut executive, was agreed between Yahad and the Labour Party when the national unity government was established.

Another political grouping which is likely to be represented on the management committee for the first

time is the Liberal Workers' Union, which two weeks ago split from the Likud's Histadrut caucus. The union's decision to accept the current structure of Hevrat Ha'Ovdim, in defiance of traditional Likud dogma, was the prime cause of the split in the caucus.

The composition of the new management committee will reflect the balance of power between Kessar and Hevrat Ha'Ovdim secretary Danny Rosolio, the sources said. Both men would like to reduce the size of the committee from its present 55 members to about 32, but differ about whom to include.

Relations between Kessar and Rosolio, long said to be stormy, are reported to have reached a new low, as a consequence of the reorganization of Solel Boneh and Kessar's reform plans for Hevrat Ha'Ovdim.



The coal pier under construction in Ashdod.

Ashdod coal pier due to be finished next year

By MICHAEL YUDELMAN
Jerusalem Post Reporter

ASHDOD. – A new coal pier, which will also serve as an unloading point for grains and minerals, is due to be completed here next year at a cost of \$55 million.

On a press tour of the new pier Tuesday, Port Authority Director-General Shaul Raziel said the coal pier built in Hadera four years ago was a mistake, because it was designed to handle coal exclusively. Today, he noted, crude oil is far cheaper than coal and is much more in demand.

Raziel said the Ashdod pier's design would avoid the mistakes made with the Hadera pier. "When coal is no longer desirable, the pier [at Ashdod] can be used for other cargoes," he explained. "But the Hadera pier will be useless, a waste of money."

He said the Hadera pier had cost \$100 m. to build and was losing millions of dollars every year. "Everything they do in Hadera could be done at Haifa port," said Raziel.

"But ignorant people who know nothing of the subject persuaded the government into this terrible mistake."

Two \$10m. cranes, which can unload 1,500 tons of coal an hour, are

now being built at the coal pier in Ashdod. A \$9m. conveyor will carry the load to storehouses capable of holding between 500,000 and 600,000 tons of coal. When the conveyor is not used for coal, it will transport grains and other commodities.

The sea bed near the coal pier, will be deepened to 15 metres, to enable 60,000-ton ships to dock there. Coal unloaded from ships at the Hadera terminal will also be transported to the Ashdod port, it was learned.

However, the 380-metre coal pier is only a temporary solution for large-volume cargo at the Ashdod port. Within two to three years the port's northern part will have to be developed, Port Director Ilan Or said.

The cargo passing Ashdod port during the fiscal year ended March 31 reached 7.3 million tons, a 1 per cent increase from the previous year. Passenger traffic at the port, however, fell by half, due to fear of terrorism and especially the hijacking of the Achille Lauro which was due to dock at Ashdod, at Port Said last year.

Most of the money for the coal pier, Raziel said, is coming from the Port Authority, which borrows money from workers' pension funds.

Petrol sales up a record 12.8% in June

By YA'ACOV FRIEDLER

HAIFA. – Petrol sales jumped by a record 12.8 per cent in June, as compared with June 1985, the head of the Fuel Authority, Shimon Gilboa, said last week.

"I cannot recall a similar jump in this decade," Gilboa said. He attributed the increased sales to the combination of lower oil prices and the

fact that fewer Israelis were going abroad.

The price of 96-octane petrol dropped from 75 cents per litre to 57 cents per litre in 1985; and 91-octane fell from 64 cents to 49 cents. Gilboa said that the average rise in sales had been 2.8-3 per cent a month although in April they increased by 5.8 per cent.

Who offers a better pension scheme? Comparing banks and insurers

By MACABEE DEAN
Jerusalem Post Reporter

The pension schemes run by the commercial banks and the insurance companies are built on the same principle: there is a direct relationship between what each person saves and what he receives. Unless specific arrangements are made, both the banks and the insurance companies generally step out of the picture when a pensioner withdraws his funds, upon retirement age. However they generally offer to reinvest his pension funds.

The Histadrut, by comparison, promises a life-long pension.

The main difference between the commercial banks-provident funds (kapal genil) and those of the insurance companies, which are called executive (or managers) insurance, is that the provident funds claim that they offer a higher income over the long run. The insurance companies promise at least a 4.25 per cent tax-free return although independent industry sources say the real figure is closer to 4 per cent. An independent survey of 22 provident funds appearing in the forthcoming issue of *Tazpit*, (see accompanying table), a small but very influential journal devoted to financial matters, shows that eight of these provident funds produced yields in 1985 of more than 4.25 per cent, while 14 produced less. The highest yield was 6.3 per cent; the lowest 2.9 per cent.

The banks' provident funds did very badly in 1985, and 1984 was also not one of their outstanding years," says Dan Sprinzak, who co-edits *Tazpit*. One main reason is the age of the funds, he explains. Since they all invest in index-linked bonds, they lose one month's index when the bonds mature and they have to buy new ones.

The 4.25 per cent promise is made on a simple premise: the government will continue to provide insurance companies with tax-free, index-linked bonds yielding 5.2 per cent, with the difference going to the in-

urance company as a management fee. But this arrangement cannot be guaranteed.

"We do not believe in the long-run any solid investment in Israel can yield more than 4.25 per cent tax-free," says Michael Rosenblatt, who is the Life Insurance Association's expert on the subject, as well as assistant general manager and chief actuary of Menorah Insurance.

Executive insurance can be broken down into two main categories: Endowments and annuities. Generally a person must stick with whichever scheme he selects when signing up with a fund, although in some years the government has authorized a switch from endowment to annuity. Most opt for endowment schemes, which provide a tax-free lump sum upon retirement age. Annuity schemes provide a monthly pension.

"Why do most persons opt for the endowment? There are several reasons," says Rosenblatt. "These people are executives, and they have handled money or men all their lives. We can promise only 4.25 per cent linked a year; they believe they can obtain much higher yields in speculative investments."

"For example, there was a time

when they were making 4.25 per cent a month on certain commercial bank shares – then considered a very solid investment. Those who managed to get out in time, did make much more than we could offer. But most of the others would have done better by sticking with our index-linked bonds."

Rosenblatt points out that "although there are years when you can buy these bonds on the stock market and get a higher yield than 4.25 per cent, there are also times when the yield is only 3 per cent. And there is a 35 per cent tax deducted on redemption on those bonds purchased on the stock market, which reduces the 3 per cent yield to 2 per cent."

Many pensioners also prefer the endowment option because the lump sum enables them to spend their money more freely at the time of their choosing. In addition, their children can inherit the sum, which is impossible in an annuity scheme.

Finally, insurance agents who sell these financial instruments make three times as much of a commission on an endowment as on an annuity, which is an obvious inducement to sell these programmes instead of annuities.

How the provident funds did

Bank	1984 yield %	1985 yield %
Bank Leumi	7.5	6.3
Mizrahi	7.7	6.1
Tefahot	8.3	8.0
Mizrahi	7.5	5.1
Leumi	5.8	5.0
Poalim	5.5	4.8
First Int'l.	4.8	4.4
First Int'l.	4.1	4.2
First Int'l.	4.0	4.2
Mizrahi	5.0	4.1
Leumi	4.5	4.1
Mizrahi	4.8-5.1	4.0-4.7
Leumi	4.0	4.0
Leumi	4.5	3.8-4.4
Poalim	4.2	3.7
Leumi	5.8	3.7
Poalim	5.0	3.3
Leumi	3.8-4.4	3.0-3.6
Ta'at	4.5	2.7-3.1
Discount	2.3	2.5
Discount	2.3	2.9

TOURISM BRIEFS

TWA marks 40th year in Israel

By GREY FAY CASHEMAN
and MICHAEL YUDELMAN
Jerusalem Post Reporters

Improved security measures have helped boost TWA's passenger load to 70 per cent from a low of 50 per cent at the beginning of June. Edward Frankfurt, the carrier's manager in Israel, told a press conference marking the airline's 40th year in Israel.

The precautions, which include armed security guards, cost passengers an extra \$5. The guards, however, are not TWA employees but U.S. government agents.

TWA opened its first office in Israel in 1946 at the King David Hotel. Its only competitor at the time was British Airways, which also maintained an office at the hotel. TWA's DC-4s made the trip to the U.S. in 36 hours, by way of Athens, Rome, Milan, Geneva, Paris, Shannon, Gander and Boston. TWA to-

day has daily flights to Israel, with two weekly non-stop flights to New York.

Frankfurt, who has been with TWA Israel for all its 40 years, plans to retire at the end of this year.

SOUTH AFRICAN AIRWAYS has expanded operations in Israel appointing Uzi Yalon as their Jerusalem representative. Yalon also represents Tower Air. SAA's head office is in Tel Aviv. A company spokesman said there were no plans to open branches or appoint representatives in other parts of the country.

TRAVELLERS TO BRITAIN who want to take their pets with them are advised to contact the British Embassy or the nearest British Consulate for updated information on importing animals to the British Isles. Import regulations have been tightened up in response to a rabies scare. A rabies vaccination certificate is not sufficient.

REVENUES FROM INCOMING

tourism dropped by more than \$30 million in the nine months to April 1986 from a year earlier, according to a report published by the Israel Hotels Association. The report says there were 180,000 North American tourists in Israel in the period, down sharply from 321,000 in the corresponding period in 1984-85.

KASHRUT-LICENCE FEES for hotels vary according to their grading, the Ministry of Religious Affairs says. Hotels of two stars or less pay NIS 500; three-star hotels NIS 750; four-star, NIS 1,000; and five-star, NIS 1,250.

OLYMPIC AIRWAYS has inaugurated a route between Israel and Rhodes. The one-hour flights leave Ben-Gurion Airport every Thursday at 8:45 a.m. and return from the island the same day at 7:55 p.m. Olympic will be flying to Rhodes until October 23. In addition, charter flights operated by Sun d'Or, the El Al subsidiary, leave Israel for Rhodes every Saturday night. Package deals offered by the company include a return flight and week-long stay in a five-star hotel for \$365.

WORLD NEWS IN BRIEF

Wall Street analysts see market upturn

NEW YORK (Reuter). – Wall Street analysts predict the stock market will soon recover from its current sell-off, which has seen it lose more than 100 points in a week.

The closely-watched Dow Jones Industrial Average slid 27.98 points to 1793.45 Tuesday, closing below 1800 for the first time since May 21. As of mid-day yesterday, the Dow had shed another 6.19 points. The decline which started July 7 when it fell a record 62 points. Overall, the market has risen 600 points since last September.

"This [sell-off] is the type of thing that happens from time to time – it can even happen within a bull market," said David Polen of David Polen Associates, a Wall Street brokerage.

Tuesday's drop started when computer giant IBM reported its second-quarter profits fell to \$2.12 a share from \$2.30 last year. The earnings of the nation's fifth-largest corporation



European Community Commissioner Claude Cheysson speaking in Cairo Tuesday.

(Reuter)

were at the bottom of what analysts had predicted.

Even more alarming was IBM's statement that "without an improvement in capital spending in North America, it will be difficult to show earnings growth" for the remainder of the year.

"The market's been falling apart the last week or so. There's a lot of bearishness," Polen said. "With IBM as one of the leading, most actively traded stocks, its poor earnings had a predictable negative effect."

Polen said investors were simply pulling their money from stocks and putting them in short-term investments like the money market, where rates are just 6 per cent.

"Once the market stops going down, there's a big pool of short-term money that's going to bang its way back into stocks," he said. "That will whip the market back up."

Harry Laubscher of investment firm Tucker, Anthony said the market was "heading into oversold territory."

"It will be ready to make a bounce, on a short-term basis... But then the interpretations of the economy will be brought into play," he said. "People will be looking for the

possibility of yet another discount-rate cut to spur the economy later in the summer."

EGYPT'S ECONOMY is in serious trouble because of falling oil prices and a huge foreign debt, European Community Commissioner Claude Cheysson said Tuesday after talks with Egyptian President Hosni Mubarak.

Egypt, whose foreign debt is more than \$35 billion, has asked the EC to double its aid and to increase the proportion of grants as opposed to loans. The community has pledged aid totaling \$276 million between 1982 and this November.

Cairo newspapers, meanwhile, reported that the EC had pledged to grant the country 120,000 metric tons of wheat, as part of a food-aid package.

THE UN'S FINANCIAL WOES are still critical as only two out of the more than 150 member countries have heeded an appeal to make voluntary contributions to a special fund set up six months ago to help ease the world body's severe financial straits, Secretary-General Javier Perez de Cuellar said Monday.

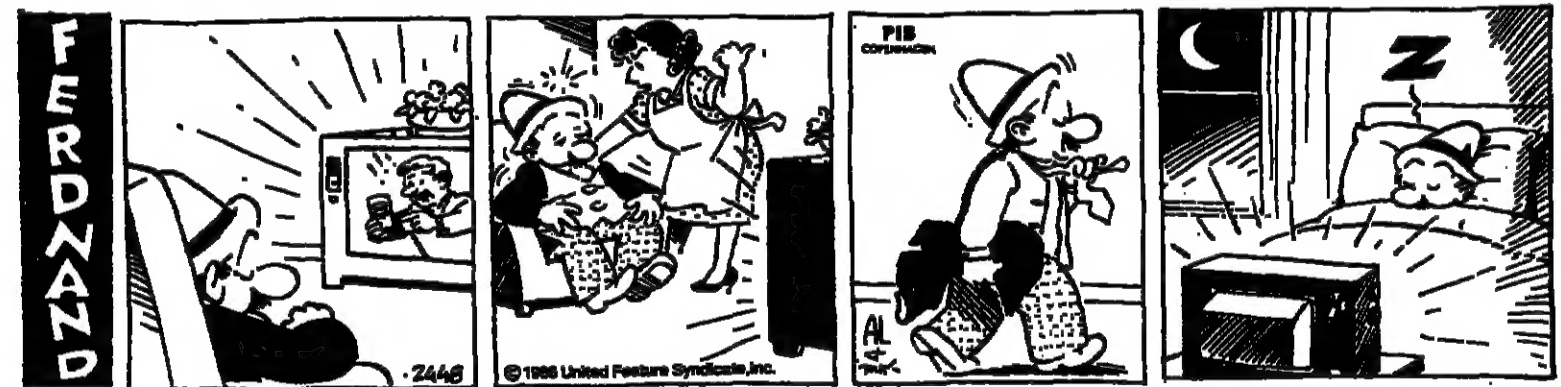
He said the financial situation remained critical, and there could be no relaxation of the austerity measures he introduced at the start of the year to save \$60 million.

The two special-fund contributors were the small, impoverished West African state of Togo, which managed \$14,000 – and the Soviet Union, which provided \$10 m. At the same time the Soviets have failed to make their obligatory contributions to this year's budget.

PEPSICO INC., the world's second largest soft drink group, announced Monday it had signed an agreement for the \$246 million acquisition of the Seven-Up Co.'s international division.

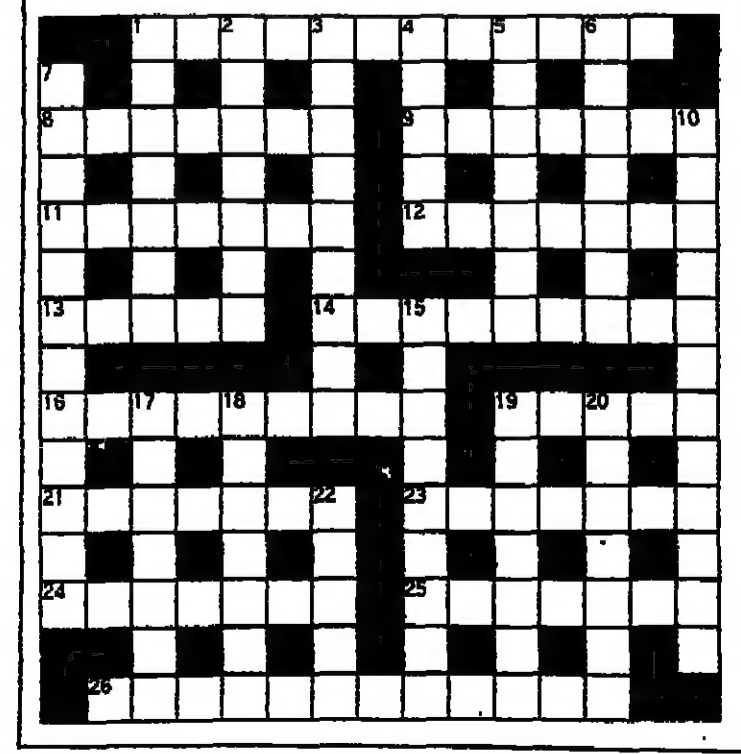
The makers of Pepsi-Cola had initially planned the purchase of the whole of its competitor's operations, for \$380m. But the Seven-Up Co.'s owners, Phillip Morris, decided to back out last month after the U.S. Federal Trade Commission said it would oppose the takeover on an anti-trust basis.

Seven-Up International, based in Lausanne, Switzerland, is the world's third-largest soft drink group, with sales in more than 85 countries.



ONE-ON-ONE CROSSWORD

- ACROSS**
- 1 Arrest most, or dreadful fight will result (6,2,4)
 - 2 One managed one with an Arab (7)
 - 3 Listens as a non-drinker objects (7)
 - 4 The list arranged in order of Knighthood (7)
 - 5 A person claiming rights, though no longer a player (7)
 - 6 Being overweight, a pressman is doomed! (5)
 - 7 Eager rascal a worker's about to join (9)
 - 8 About a hundred contend this should be the figure (9)
 - 9 A woman's remains (5)
 - 10 Sphere of vision (7)
 - 11 Arch built by Sir Hugo (7)
 - 12 They'll never sing low songs (7)
 - 13 Non-professional from a dull back street in Paris (7)
 - 14 Advocates ring as to post, getting mis-sorted (12)
- DOWN**
- 1 A boxer surrounded by others is a down-to-earth man (7)
 - 2 Pole inclined to be grandiloquent (7)
 - 3 Finish letters for the queen in sound translation (9)
 - 4 React badly when there's suspicion (5)
 - 5 Appeal to the country to follow a trusted leader (7)
 - 6 A character behind a fellow creature (7)
 - 7 Upper-class students (5-7)
 - 8 High-up holy man, a little beast large but quiet here (12)
 - 9 Copper waving a rider on, has got map out in advance (9)
 - 10 The crawler allowing North American Indians through (7)
 - 11 A check a preservationist group finds hard (7)
 - 12 Wells up in a supporter's countrymen (7)
 - 13 He rises awkwardly, but she succeeds (7)
 - 14 Telling stories in gratitude – only in gratitude (5)



CLASSIFIED

DWELLINGS

JERUSALEM

TOURIST, Rehavia, equipped, long/short term. Menahem Realty. Tel. 02-545779.

3 ROOM FLAT for rent East Talpiot (upper part), partly furnished, phone, balcony, solar heating, sunny. From August long-term. Call Sonia, Tel. 02-533436, from 9 a.m.

TEL AVIV

WARM ELEGANT kosher home sought for old gentleman. Tel Aviv area. Please write to Senior, P.O.B. 7778, Jerusalem.

TOURISTS!!! North Tel Aviv, furnished room, immediate entry. Tel. 03-449444.

HAIFA

AHUZA, 6 spacious, view, double conveniences, carpets. Tel. 03-931602.

NETANYA

NOBIL GREENBERG, housing specialists. Sales/rentals. 2 Ussishkin St., Tel. 053-32558, 04-667267.

OTHERS

ARAD, DUPLEX, 3 + view, luxurious, well arranged. Tel. 057-957213.

MATRIMONIAL

BUSINESSMAN AGED 50, very pleasant, seeks woman till 65. Serious intentions. Professor Ltd., No. 1 Hamraim St., Tel Aviv.

PURCHASE/SALE

AMCOR 170 RM - 155 litre fridge and 16 litre freezer. Oven/stove - Universal 80, double oven. Shabbat plate, 3 burners. Double bed - metal frame with mattress. Tel. 02-88072.

SITUATIONS VACANT

TEMPERATE TEMPERI Long/Short term typist, word processor operator tele. Personal, Dizengoff 203, corner Arlozoroff, Tel. 03-24440, 03-232667.



DRIVE CAREFULLY

07/15/20/15/10

MARKET PLACE

AVI TEMKIN

Bail-out money slow to come

Early this year the government was forced to come to the rescue of a number of bodies and firms which, through a combination of external factors, faulty management and the suits of the economic stabilization program, were close to collapsing. Scheduling programmes worth hundreds of millions of dollars were unchained involving kibbutzim, ashvins, high-tech companies, shikars and hotels.

Almost all of these plans involved the use of government money to finance these rescheduling schemes. The Treasury committed itself to a total of over \$400 million, in return for a promise from those being rescued to implement recovery plans in coordination with the commercial banks.

Yesterday, Finance Minister Moshe Nissim revealed to the members of the Jerusalem Economic Club that his ministry in fact had received requests for aid totalling over \$1 billion. Like his predecessor, Yitzhak Moda'i, Nissim is not likely to assent to most of these requests. "We will help only those who have a chance of implementing a successful recovery plan," he said.

What Nissim did not tell his listeners, though, is that even from the sums formally promised by the Treasury to troubled bodies, not even 20 per cent — \$70m, out of the total — has been actually disbursed. Accountant-General Arye Sher candidly confessed yesterday that the Treasury is holding back a large part of the money, pending a final agreement between the commercial banks and the concerned bodies on the final details of the recovery plans.

Thus Solel Boneh, which was promised \$80m, to reschedule its short-term debts, has not received one agora. It has been kept alive by some \$40 million injected into it by Hevrat Ovdlim, Kupat Holim Klalit, which was promised \$100m, has also not received money. A decision to aid moshavim in the Golan and the Jordan Valley with \$27m, in aid has not been carried out, nor has a decision to help other troubled moshavim with a total of \$27m. Private construction companies are still waiting for the \$80m, they were promised.

The only two aid promises that have been implemented, at least partially, were a \$100m. package for the kibbutzim and moshavim, of which \$70m. has been disbursed, and the recovery plan drafted for Elscint. The Elscint plan did not involve government money but was hammered out between the commercial banks and the company. "This is the kind of rescheduling plan we would like to see for all troubled companies," Sher frankly admits.

Sher is the man charged with the government's payments. Lately he has not had much to do: the delay in the disbursement of the money is perhaps typical of government spending patterns. Sher revealed yesterday that in the first quarter of the fiscal year the government's total disbursement of money was 9 per cent lower than in the same period last year.

The accountant-general says that in the first three months of the fiscal year the government absorbed from the public some NIS 732m., or almost \$500 m.

Albin files are sent to state attorney

Jerusalem Post Reporter
The police have completed their investigation of the Michael Albin "affair" and have sent 20 files to the state attorney, who is to decide whether to press charges, fraud squad chief Yoram Gonen told the Knesset Interim Committee yesterday.

Among those who may be charged is Yohanan Zuchovitzky, a son-in-law of international tycoon Shaul Eisenberg.

Albin was arrested last August 2 on suspicion of fraud and theft. The next day he jumped to his death from the third floor of the fraud squad's Jaffa headquarters. It has never been determined whether he was attempting to escape or intended to kill himself.

Until mid-1984 Albin and Zuchovitzky were senior figures in Eisenberg's Israeli concerns, but Eisenberg then forced the two out and subsequently claimed that they had mismanaged his affairs.

Despite Albin's death, the police continued to investigate suspicions that Zuchovitzky and others had channelled business funds into private accounts.

FEWER FLIERS. — Transatlantic travel will drop 4 per cent in 1986, European airline said yesterday, blaming a sinking dollar and American fears of terrorist attack. The 20-member Association of European Airlines said traffic rose 5.6 per cent in 1985 and was expected to rise again, by 7.5 per cent, next year. Traffic over the North Atlantic fell 5.5 per cent in May from the previous May, leaving four out of every 10 seats empty, the AEA said.

100 Clarin buyers to get their flats

By MICHAEL YUDELMAN
TEL AVIV. — A solution for more than 100 of the 140 families who bought apartments from the now-defunct Clarin Building Co.'s Pueblo Espanol project was approved by the district court here yesterday.

It was the third such arrangement reached between the company's receiver and apartment buyers since Clarin collapsed last December.

Under the arrangement approved yesterday, each buyer will have to add 7 per cent to the original apartment price to gain control of their unfinished apartments. The additional money will be able to be paid in 10 payments or through a 10-year mortgage.

An agreement between the receiver, attorney Binyamin Kiryati, and Tefahot Mortgage Bank Ltd. has been reached to enable the apartment buyers to get the required mortgage. Another agreement, made separately with Persepolis Co., will enable the completion of the unfinished apartments.

Apart from the Pueblo Espanol, which is in Rishon LeZion, Clarin has a number of building projects throughout the country where families have purchased apartments — some completed, some not — that were seized when the builder went bankrupt.

Kiryati told *The Jerusalem Post* yesterday that he is working on solutions for the remaining Clarin buyers, one of which may be presented to the court next week. He was also involved in finding the solution for purchases of apartments built by contractor Avraham Gindi, who committed suicide several weeks ago after his concern failed.

Baruch blasts cuts in employers' NII dues

By CHARLES HOFFMAN
Jerusalem Post Reporter
National Insurance Institute Director Nissim Baruch, who leaves office today, launched a broadside yesterday against the government's decision to temporarily reduce employers' NII dues 5 per cent. The reduction is intended to compensate for the cost-of-living increment to be paid on July's salaries.

Baruch is to be replaced by former Herut minister Mordechai Zipori.

"This is not the way to go about cutting labour costs," Baruch said at a farewell press conference yesterday. "No one consulted the NII about this, and the decision is difficult to implement. I am afraid that later on pressures will arise from the Treasury to cut NII benefits because of this."

Baruch said a joint NII-Treasury panel spent two years studying how income tax and NII rates affect the cost of labour and that the decision, which was adopted by the Treasury and the Ministry of Labour and Social Affairs, confounds the proposals submitted by this panel. Baruch said that adjusting tax rates would be a better way to cut labour costs.

BUSINESS BRIEFS

'Subaru refuses to consider buying auto parts in Israel'

Jerusalem Post Reporter
The Industry and Trade Ministry is angered at Fuji Heavy Industries Ltd., the Japanese company that manufactures Subaru, for refusing even to consider the possibility of purchasing Israeli-made parts. Ministry officials said the company had refused to send a technical delegation to Israel to determine whether there is an economic basis for such transactions.

The officials said that in the framework of a plan to help Israeli industry through buy-back accords, all the manufacturers of private cars sold in Israel were asked to examine the possibility of purchasing Israeli-made parts.

"All of those companies sent representatives to Israel, except for the Japanese company," one official said, adding that in the case of Fiat an agreement had been reached. "Those delegations were not told they had to buy Israeli products. The only thing we asked them was to conduct their surveys on the basis of economic considerations," he said.

Subaru, with 40 per cent of the Israeli new-car market, is the most popular make in Israel.

JOBLESSNESS IN KIRYAT SHMONA may soon be eased with the opening of several factories in the town. Morgan is close to setting up a plant to manufacture cooking stoves and metal parts that will employ 150 workers. It will utilize the factory of Merom Gal, which went bankrupt.

Magenda will begin making medical plastics in a plant that will employ 70 workers in the early stages and will boost its payroll to 130 within a year. The company has already won a Ministry of Health tender.

THE SELF-EMPLOYED should get a role in formulating economic policy similar to that enjoyed by representatives of the Histadrut and the employers, Prime Minister Peres told the Chamber of the Self-Employed in Tel Aviv last week.

While Peres rejected calls for a radical overhaul of the tax system, he said he did favour reforms aimed at providing incentives for increased productivity.

CARVEL ICE CREAM, which until now has sported only one — albeit highly successful — franchise in Israel, is expanding to Rishon LeZion, Ra'anana, Rehovot and, in Tel Aviv, in the Ramat Aviv section and near the city's Shekhem store.

The Rishon and Ra'anana branches have already opened, and the others are due to make their debut later this summer. Carvel's only outlet until now, at 16 King George Street in Jerusalem, last year earned the title of the most successful Carvel shop in the world in terms of the number of customers served.

ment buyers to get the required mortgage. Another agreement, made separately with Persepolis Co., will enable the completion of the unfinished apartments.

Apart from the Pueblo Espanol, which is in Rishon LeZion, Clarin has a number of building projects throughout the country where families have purchased apartments — some completed, some not — that were seized when the builder went bankrupt.

Kiryati told *The Jerusalem Post* yesterday that he is working on solutions for the remaining Clarin buyers, one of which may be presented to the court next week. He was also involved in finding the solution for purchases of apartments built by contractor Avraham Gindi, who committed suicide several weeks ago after his concern failed.

The cabinet decided on Sunday that to help reduce labour costs, employers and self-employed would be exempt from paying NII dues for one month during the period from June through September.

The decision stressed that NII benefits would not be affected by this, since the Treasury would pay the NII \$142 million to compensate it for the lost revenue. The Treasury also saves by this measure, since the reduction applies to the government as an employer. The money saved here will revert to the general budget reserve.

Baruch also criticized the proposed revisions in the unemployment benefits law recently submitted by an interministerial committee. These proposals would allow money in the NII unemployment fund to be used in certain cases to subsidize employment and thus to assure jobs, instead of being paid out as unemployment benefits.

He said the NII Treasury committee found that unemployment benefits did not act as a disincentive to work, except in marginal cases. The main problem, he said, is that the minimum wage of NIS 300 a month makes many unskilled jobs unattractive.

For over 10 years, Ciechanover served as legal adviser to the Ministry of Agriculture, during which he became close to the late Moshe Dayan, who was then minister of agriculture. Ciechanover followed Dayan into the Rafi party when David Ben-Gurion broke away from Mapai. Subsequently, Dayan brought Ciechanover with him to the Defence Ministry, where the latter again served as legal adviser.

In the 1970s Ciechanover was appointed to head the ministry's delegation to the U.S. and Canada, where he spent four years, learned a great deal about American industry and became acquainted with the leaders of the American Jewish community. He also met Raphael Re-

Balas Petitions High Court of Justice

Financier David Balas yesterday petitioned the High Court of Justice to force a Tel Aviv public prosecutor and Discount Bank officials to hand over documents that he claims would clear him of fraud.

Balas has been detained in Ramle Prison while police investigate charges that he fraudulently received money from the United Kibbutz Movement by giving the Discount Bank fictitious collateral amounting to \$29 million.

In his petition, Balas claimed that a Discount Bank internal report showed that he was permitted to withdraw the money.

The dollar has lost about 30 per cent in value in the last nine months and, at 2.1560 Deutschmarks, was hovering just above five-year lows against the mark in early afternoon.

Britain's pound was still punch drunk from Tuesday's battering in the market, when it was stripped of 6.5 pence and approached 3.20 marks as its North Sea oil hit a record low on the global world oil market.

But when U.S. figures for June retail sales flashed onto dealers' screens, showing a 0.2 per cent rise, the dollar fluttered around 2.16 marks and then settled.

Minutes later, news of a 0.5 per cent fall in U.S. industrial production for the same month — although a larger drop than expected — saw the dollar rise to 2.1650 marks. But dealers said the dollar's stability was not set to last, despite the fact that the figures had not significantly added to a gloomy picture of the U.S. economy.

Sterling recovered some ground against the shaky U.S. currency, rising to almost 1.50 dollars at one point on technical buying, after hitting a European low of 1.4785.

"The market wants to sell dollars, and I think it will continue to do so," one London dealer commented.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:
General Share Index 114.38 -0.21%
Non-Bank Index 130.84 -0.25%
Arrangement Non-bank 107.19 -0.17%
Insurance 140.04 -1.31%
Commerce, Services 155.89 -0.15%
Real Estate 189.39 -0.21%
Industries 112.46 -0.41%
Textiles 142.76 -0.89%
Metals 112.66 -0.27%
Electronics 83.82 -0.11%
Chemicals 121.89 -0.41%
Industrial Invest. 112.88 -0.04%
Investment Cos. 128.94 -0.43%
General Bond Index 108.92 -0.23%
Index-linked Bonds 110.48 -0.18%
Fully-linked 111.61 -0.25%
Partially-linked 108.89 -0.12%
Dollar-linked Bonds 92.71 -0.41%
Short-term 0-2 yrs 108.79 -0.20%
Medium-term 2-5 yrs 108.99 -0.13%
Long-term 5+ yrs 106.32 -0.43%

Turnovers:
Shares — total NIS 7,572,100
Arrangement NIS 2,628,600
Non-bank NIS 4,745,500
Bonds — total NIS 6,092,900
Index-linked NIS 4,285,100
Dollar-linked NIS 3,655,200
Treasury Bills NIS 3,210,500

Share Movements:
Advances 103 (44)
of which 5%+ 9 (2)
"buyers only" 1 (2)
Declines 148 (230)
of which 5%+ 31 (45)
"sellers only" 2 (4)
Unchanged 131 (8)
Trading Halt 40 (56)

Bond Market Trends:
Index-linked 3% fully-linked Rises to 2.5% falls to 1%

4.25% fully-linked Stable/falls to 2%
80% linked Stable/falls to 0.5%
Double-linked Stable/falls to 3%
Dollar-linked: Admon Falls to 0.5%
Rimon Falls to 0.5%
Gilboa Falls to 0.5%
For. Curr. Stable
Treasury Bills (monthly yield) 1.39-1.49%

Arrangement yields:
IDB ord. 12.73%
Airt 27.10%
Union 0.1 12.48%
Discount A 12.78%
Mizrahi r. 13.02%
Hapoelim r. 13.32%
General A 12.8%
Leumi stock 13.00%
Fin. Trade 1 10.94%

Trade & Services
Meir Ezra 4310 8 +5.0
Supersol 2 4790 310 -0.8
Delek 2780 2837 -
Lightage no trading
Cold Storage no trading
Dan Hotels 3700 1 -0.0
Varden Hotel 3280 65 -1.9
Hilton 1 13880 10 -1.0
Team 1 1700 441 -

Real Estate, Building and Agriculture
Ezion 588 8972 -2.0
Alorin 433 1659 +3.5
Africa Isr. 0.1 3120 80 -
Dommer 3730 46 -0.1
Prop. & Bldg. 2470 1887 -0.8
Bayside 0.1 3900 485 +2.6
ILDC r 48900 198 +2.3
Rassco r 2200200 +4.3
Mahadim 5600 22 -1.6
Hadarim 1080 200 -



Yosef Ciechanover (Uzi Keren)



Gideon Lahav (Uzi Keren)

New Discount heads long in public's eye

By PINHAS LANDAU
Post Finance Reporter

Yosef Ciechanover and Gideon Lahav, who were appointed chairman and managing director, respectively, of Israel Discount Bank at Monday afternoon's board meeting, are not new to Israeli public life. Both men have spent the majority of their careers in government, joining the bank in 1980 and 1974, respectively.

Ciechanover was born in Haifa 53 years ago. He studied law at the Hebrew University and business administration in the U.S. The bulk of his career has been spent in the civil service, as was the norm for his generation.

For over 10 years, Ciechanover served as legal adviser to the Ministry of Agriculture, during which he became close to the late Moshe Dayan, who was then minister of agriculture. Ciechanover followed Dayan into the Rafi party when David Ben-Gurion broke away from Mapai. Subsequently, Dayan brought Ciechanover with him to the Defence Ministry, where the latter again served as legal adviser.

In the 1970s Ciechanover was appointed to head the ministry's delegation to the U.S. and Canada, where he spent four years, learned a great deal about American industry and became acquainted with the leaders of the American Jewish community. He also met Raphael Re-

canati, who headed Discount Bank's New York subsidiary at the time.

When Dayan took over the Foreign Ministry in the Likud government of 1977, he appointed Ciechanover as his director-general. In mid-1980, when Dayan resigned, Ciechanover inevitably went with him. This time, however, he left the public service altogether and accepted Rekanati's offer of a senior position in the Discount empire.

Ciechanover has spent the last several years in New York, as deputy chairman of Israel Discount Bank of New York and as president of PEC Israel Economic Corp., the U.S. investment arm of the IDB Development Corp.

Gideon Lahav, 57, came to Palestine as a boy from Germany. He also studied at the Hebrew University in Jerusalem before joining the civil service. He moved up the ladder at the Ministry of Industry and Trade, retiring as director-general in the early 1970s. In 1974 he joined the Discount group. For five years he served as managing-director of Barclays Discount Bank, at the time when that bank was active in the diamond industry.

Since 1979 he has held a series of senior management positions in Discount proper, as well as holding the chairmanship of Barclay Discount's board. Most recently he was deputy-manager of Discount in charge of corporate business and credit operations.

Dollar, sterling get respite in foreign exchange markets

LONDON (Reuters). — There was some respite for the dollar and sterling on nervous European foreign exchange markets yesterday, when an anticipated rush to sell the ailing "greenback" on the publication of U.S. economic data failed to materialize.

The dollar has lost about 30 per cent in value in the last nine months and, at 2.1560 Deutschmarks, was hovering just above five-year lows against the mark in early afternoon.

Britain's pound was still punch drunk from Tuesday's battering in the market, when it was stripped of 6.5 pence and approached 3.20 marks as its North Sea oil hit a record low on the global world oil market.

But when U.S. figures for June retail sales flashed onto dealers' screens, showing a 0.2 per cent rise, the dollar fluttered around 2.16 marks and then settled.

Minutes later, news of a 0.5 per cent fall in U.S. industrial production for the same month — although a larger drop than expected — saw the dollar rise to 2.1650 marks. But dealers said the dollar's stability was not set to last, despite the fact that the figures had not significantly added to a gloomy picture of the U.S. economy.

Sterling recovered some ground against the shaky U.S. currency, rising to almost 1.50 dollars at one point on technical buying, after hitting a European low of 1.4785.

"The market wants to sell dollars, and I think it will continue to do so," one London dealer commented.

Data bank lists investment opportunities for immigrants

Jerusalem Post Reporter
A computerized data bank on investment opportunities for new immigrants and returning residents has been set up by the Manufacturer's Association and the Ministry of Absorption.

The investment unit, housed in the Manufacturer's Association office in Tel Aviv, offers services in the following areas: initiating contacts between prospective investors and local officials and enterprises;

advice on investment opportunities; background information on Israeli industry and government regulations.

The investment proposals now on file by Israeli industrialists contain seven types of opportunities: joint ventures, equity investment, investment in specific projects, investment of co-operation in research and development, purchase or sale of know-how, sub-contracting of production and marketing abroad.

FINANCIAL DATA: ISRAEL, EUROPE, U.S.

ISRAEL MONEY MARKETS July 15, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	14.7	7-14.5%	8-15.25%	8-15.75%
HAPOLIM	7.7	8-14%	8-14%	8-15.50%
DISCOUNT	13.7	8-15%	8-15.50%	8-17.50%
MIZRAHI	8.5	8-15%	8-15%	8-17%
FIRST INT'L	8.7	8-14%	7-14%	8-14%

Rates vary according to size of deposit.
(Tapes: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (as of July 15)

	3-MONTHS	6-MONTHS	12-MONTHS
USD	6.000	6.000	6.125
STG	9.125	9.000	8.875
DMK	3.275	4.000	4.000
SFR	4.125	4.250	4.250
YEN	3.000	3.000	3.000

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

	CHEQUES AND TRANSFERS	BANKNOTES	Rep. Rates
U.S.A. Dollar	1.4827 1.5013	1.48 1.53	1.4930
U.K. Sterling	2.2122 2.2389	2.17 2.28	2.2288
Deutsch Mark	0.6858 0.6944	0.68 0.71	0.6901
French Franc	0.2127 0.2153	0.21 0.22	0.2142
Dutch Florin	0.6079 0.6185	0.60 0.63	0.6122
Swiss Franc	0.8424 0.8530	0.83 0.87	0.8485
Swedish Krone	0.2281 0.2317	0.21 0.22	0.2107
Norweg. Krone	0.1977 0.2001	0.19 0.20	0.1989
Danish Krone	0.1832 0.1855	0.18 0.19	0.1842
Finnish Mark	0.2916 0.2952	0.29 0.30	0.2935
Canada. Dollar	1.0787 1.0923	1.08 1.11	1.0874
Austr. Dollar	0.9452 0.9571	0.94 0.98	0.9545
S. Africa Rand	0.5716 0.5788	0.44 0.48	0.5756
Belgian Franc	0.3289 0.3341	0.32 0.34	0.3349
Austrian Sch.	0.9748 0.9870	0.98 1.01	0.9813
Italian Lira	0.9891 1.0117	0.98 1.04	1.0059
Japanese Yen	0.9305 0.9421	0.92 0.96	0.9361
Jordanian Dinar	—	4.25 4.52	4.2366
Egyptian Pound	—	0.77 0.81	0.8077
ECU	1.4819 1.4773	—	1.4898

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

PRECIOUS METALS

GOLD: LONDON A.M. FIX 345.85 P.M. FIX 346.00
PARIS NOON FIX 347.49 ZURICH P.M. 346.20
SILVER: LONDON FIX 503.00
PLATINUM: LONDON P.M. 435.50
PALLADIUM: LONDON P.M. 112.00

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)

	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHE MARK	2.150015	80/75	113/108	212/202
POUND STERLING	1.494050	87/85	125/123	245/240
SWISS FRANC	1.756580	45/40	85/80	138/128
JAPANESE YEN	159.45/55	63/61	94/92	189/184
FRENCH FRANC	6.9580/75	30/45	45/55	90/120
ITALIAN LIRA	1488.75/60	1125/1200	1700/1600	3475/3525
DUTCH GULDEN	2.4355/55	40/27	62/59	138/132
BELGIAN FRANC	44.815/65	94/5	57	91/5
DANISH KRONER	8.1000/50	210/280	400/450	1000/11
S.AFRICAN RAND	0.3843/53	36/31	48/43	8

THE JERUSALEM POST

Editorial Board:
 Ari Rath, Editor and Managing Director
 Ben Noy, General Manager
 Shalom Weiss, Treasurer
 Avraham Levin, Advertising Manager
 Yosef Hersh, Press Manager
 Ray Lewis, Circulation Manager

Managing Editor: David Landau
Associate Managing Editor: David Gross
Associate Managing Editor: Yankov Rosel
Editorial Editor: Shalom Cohen
Op-Ed Editor: Haim Shier
Supplements Editor: Haim Shier

Founded in 1932 by GERSHON AGRON, who was Editor until 1955. Editor 1955-1974: TED LURIE. Editor 1974-1975: LEA BEN DOR. EDITORIAL OFFICES AND ADMINISTRATION: The Jerusalem Post Building, Rosemea, Jerusalem P.O. Box 81 (9100) Telephone 551616. Telex 26121. Fax 551670. TEL AVIV 9 Rehov Carlebach, P.O. Box 16201 Telephone 294222. HAIFA 16 Rehov Nordan, Hader Hacarmel, P.O. Box 21026 Telephone 645444. Fax 645446. Published daily, except Saturdays, in Jerusalem, Israel. The Jerusalem Post Ltd. Printed by The Jerusalem Post Press in Jerusalem. Registered at the G.P.O. as "The Jerusalem Post 1986. Reproduction, or storage in a retrieval system, or any other form, prohibited without permission.

Neglected questions in the GSS affair

By Benny Morris

THE General Security Service affair has raised some grave constitutional questions which, perhaps because of the unremitting crisis and maneuvering, have not yet been addressed or, possibly, noticed.

1 - The powers and manner of selection of the attorney-general: The powers and responsibilities of the attorney-general are not specified in any law of the land. He is both the chief of prosecution and the cabinet's legal adviser. The GSS affair has demonstrated in sharp colours the inherent contradiction and conflict of interest between these two roles and has underlined the AG's problematic relationship with the cabinet, which is not defined by law.

Over the past weeks, the two successive AGs, Yitzhak Zamir and Yosef Harish, have both refused to act as the cabinet's counsel and to defend or express the cabinet's position before the High Court of Justice. Zamir refused to defend GSS chief Avraham Shalom against Rafi Malka's petition demanding Shalom's suspension. Harish this week refused to argue against the Court's show-cause order explaining why the government should not launch a police investigation of the affair. In both instances, the AG's status as the country's senior law officer and head of prosecution prevented them from carrying out their duties as the cabinet's legal adviser.

periodic meetings in which past operations were reviewed and prospective operations discussed, approved or rejected. There may have been irregularities and the committee may occasionally have been deceived or misled, but such incidents, it is said, were very rare.

When Begin took over, the X Committee was scrapped and authority over the GSS and the Mossad devolved solely upon the prime minister. That has been the situation ever since, and the GSS affair has demonstrated that this arrangement is untenable.

It is untenable because it leaves responsibility for the operations of the country's two secret services in the hands of one man. That man may be a paragon of virtue and efficiency, or he may be the opposite (as some people see Ariel Sharon, who could conceivably reach the premiership). Or he could be just a normal mortal, error-prone, like Shimon Peres.

The bulging carpet

"YOU WANT to conceal everything, to sweep it under the carpet."

This fearful accusation was reportedly hurled by the attorney-general, Yosef Harish, at the government during his presentation of the choices open in the Shin Bet affair, and it was itself rather too sweeping. Although Premier Shimon Peres had far too long clung to the absurd belief that an investigation of the affair would be the undoing of the General Security Service, he had by then already been persuaded that, for the good of the country, truth about the affair must be authoritatively established.

When the vote on the proposal for a judicial commission of inquiry was finally held by the government Monday afternoon, all 10 Alignment ministers, joined by the lone Shinui minister, were solidly in favour. The handful of initial waverers had been persuaded by the attorney-general, himself originally an opponent of any investigation, that a judicial commission of inquiry was the only alternative to a police probe, which should if possible be avoided.

The issue was decided by a bloc of 14, consisting of 10 Likud ministers and four ministers representing small parties, three of them religious.

The small-party leaders may have been talked into voting as they did by the Likud's threat to trigger a coalition crisis and force new elections - for which they are not ready - if a judicial commission of inquiry were set up. The Likud ministers voted that way because they were dead set to shield, not the Shin Bet, but their own nominal leader, Vice Premier Yitzhak Shamir. While some of them think less than the world of Mr. Shamir, they were all well aware that their own political future in their party required lining up as a common front.

So, after stoutly protesting from every possible forum that their party would not throw the Shin Bet to the dogs, that, roughly speaking, is just what the Likud ministers did. For they left Mr. Harish no option but to inform the High Court that the police would start a probe of the charges filed by his predecessor, Yitzhak Zamir, against Shin Bet director Avraham Shalom and three aides.

One powerful argument against such a probe has all along been that, conducted by a force not known for being leak-proof, it would result directly in the disclosure of some of the Shin Bet's most highly treasured secrets. That danger may have been rather overstated. The police should be expected to focus their interest not on the agency's methods of operation in general, but on its specific involvement in the Deir al-Balah killings and in the illegal cover-up that followed them. Mr. Shalom and his aides have in fact already admitted to their own share of the blame in their applications for a presidential pardon.

But those who have all along claimed that the danger is awesome cannot now take shelter in the hope that the courts will order a total publicity blackout on the probe. The courts are unlikely to oblige.

Another great danger widely invoked was that the Shin Bet people would, if finally charged before a court of law, expose in self-defence operational methods employed by the agency for decades in its war for Israel's survival. And that this information, too, might leak.

It is possible to make light of this danger as well. For the moment the pardons granted to the Shin Bet quartet stand, and so will the pardons that plainly will have to be granted to any number of their colleagues who may be invited to testify by the police. Even if the High Court turns thumbs down on the pardons, and some Shin Bet operatives are required to answer charges in criminal court, a trial can still be held in camera in this country without its proceedings leaking in all directions.

But if - as Mr. Shamir and company have argued all along - that prospect would constitute a national disaster, then they may have now themselves engineered it. And for only one reason: to protect Mr. Shamir.

True, the police are duty bound to also investigate MK Yossi Sarid's complaint that Mr. Shamir, as premier in 1984, was personally responsible for the Shin Bet killings and the cover-up. But there is little reason to believe, given the usages of immunity, that the police can go far on that matter.

Judicial commissions of inquiry, on the other hand, may be counted upon to lay off the "political echelon" only if specifically so told by the government that sets it up, which no government will do.

That is how the Kahan Commission, in 1983, came to pin the blame for Israel's failure to prevent the Sabra and Shatila massacres on some ministers of state. Mr. Shamir, then the foreign minister, among them. And that is why the Likud is now busy blasting the entire institution of judicial commissions of inquiry as a blight on Israel, and why it was so anxious to foil another such commission in the Shin Bet affair, whatever the price.

Not bad at all

THE CONSUMER price index for June at 1.6 per cent. sums up the achievements so far of the stabilization programme launched last July.

The annual inflation rate is now some 20 per cent, the lowest in the past 13 years. When the three-digit inflation - teetering on the brink of a four-digit inflation - of only a year ago is recalled, it is clear that the programme has been more successful than even its architects expected.

Some well-informed people, however, still refuse to acknowledge the fact. Month after month, the confirmation by the price index that the relative stability continues to hold - despite the progressive decontrol of prices - is being greeted with a chorus of warnings that the stability is still fragile, that if it doesn't explode into hyperinflation again then it will lead to a deterioration in the balance of payments. The theory, in short, is that booming demand is pulling up prices, and that everything possible must be done to restrain consumption. To accomplish that, wages must be kept from rising.

The conclusion is right, but not for the reasons given. The inflation we now have is still mostly generated on the cost side. Between December 1985 and July 1986, the devaluation of the currency against the trade-weighted basket of foreign currencies has been 6.2 per cent or 13 per cent in annual terms. This means that some three-quarters of the current inflation is caused by a creeping devaluation.

Add to that the cuts of subsidies to basic goods and services, and most of the current inflation is explained on the cost side.

A significant wage rise now must nevertheless be resisted. This, not so much because it would price our exports out of the world markets - the standard argument - but because it would launch politically irresistible demands for increasing the subsidies to exports even if these are not really warranted. If the subsidies are granted, they will eventually lead to devaluation.

But even if wages rise a little as a result of the present wage negotiations - the Histadrut is far from pressing for outrageous increases - the government can still avoid a reversal to the familiar vicious circle of devaluation followed by increased inflation followed by further devaluation.

Contrast this with the manner of "selection" of the ministers themselves. For years they are subject to public and party scrutiny, each of their actions criticized, approved, mulled over. Then there are internal party selection hurdles, and finally a vast popular vote which, while not personal, is in the nature of a collective selection of the ministers.

The whims of a justice minister

Surely, then, there is something constitutionally wrong in the selection of the AG. If all rests on the justice minister's selection of the nominee and on a mindless rubber stamp by the full cabinet, then we are at the complete mercy of the justice minister's whim. This justice minister hoped to remove a political problem - Zamir - by replacing him with what he thought was an authority-respecting yes-man. Another justice minister could choose a totally unsuitable AG.

Two major changes must be made in the AG selection process. First, he must not be nominated solely by the justice minister but either by a team of ministers or, preferably, by a team of ministers in consultation with, and with the complete agreement of, a panel of Supreme Court justices. This team or joint team would select the candidate or several candidates and submit the name(s) to the cabinet. In addition, the cabinet ministers should then be given a fortnight in which to ponder the selection, sound out colleagues of the candidates(s), and so on. Then, if there are no major objections, the cabinet should approve the appointment.

Crash appointments such as last month's can lead to bad, incompetent and/or politically tendentious AGs.

II - Controlling the GSS: The GSS affair - the organization's alleged activities in the Bus 300 incident and its spin-offs - have highlighted the absence of constitutionally defined controls over the service.

Until Menachem Begin took over as prime minister in 1977, an "X Committee" of ministers and senior civil servants oversaw the operations of the country's secret services: the GSS, the Mossad, IDF Intelligence Branch, the Research Division of the Foreign Ministry and the police's Bureau for Special Duties.

I don't know how effective the X Committee's control was but there

Dry Bones



within the GSS who claim that the organization has not, on a regular basis, acted "outside the law." The law over the years has been bent to enable the secret services to operate effectively: wire-taps are made possible by a judge's order; so are searches of apartments.

Therefore, talk of a special code of behaviour makes little sense. Will the code envisaged explicitly empower the GSS to carry out acts which are outside the law (killing, torture etc.)? Can such a code co-exist in a law-abiding, democratic society with a general code for the rest of the citizens? Would not other institutions - the Mossad, the IDF, the customs, the veterinary departments - all immediately clamour for their own codes of behaviour, each at the expense of some other section of the law? Or will the envisaged GSS code of behaviour empower the organization to act only according to the existing law of the land?

In the first case, the existence of such a written code would not provide protection against exposure and prosecution for those breaking the law. In the second case, the code would be superfluous, for who needs additional authorizations to act within the law?

Reality is complex and events occasionally, if very very rarely, will compel GSS operatives to take illegal action (such as, say, torturing a captured terrorist in order to extract information on an imminent threat to lives). The standing committee of ministers and experts, in such circumstances, would be asked to review and approve such an action (in advance or post facto), and this committee rather than a written code would be the fount and anchor of the operatives' authority to carry out these actions.

What is lacking constitutionally, then, is not a new written code of behaviour but a standing body that will oversee the GSS's (and Mossad's) activities.

III - Controlling the president: The president of Israel has been given few powers by law. But, by custom, he is a pillar and embodiment of meta-political morality and conscience.

President Herzog, in taking a key part in the pardon/resignation deal a fortnight ago, brought low - almost into disrepute - his office as well as his person. He exercised a power to pardon, in advance of any investigation, trial or conviction, a set of

self-confessed criminals in a manner regarded by the vast majority of the country's jurists as questionably legal, unethical and inappropriate. By so acting, Herzog intervened in a political debate and asserted a political power that he does not and should not possess.

The question of whether Herzog has the right to pardon anyone in advance of investigation and prosecution will probably be decided by the High Court in the coming days. If he has that power, the question of whether he should have exercised it in this case may be addressed by the High Court but will henceforward remain open, and depend upon the judgement of each president in each set of circumstances.

Definition of pardon powers

In terms of the constitution, the ministers and legislators perhaps would do well to amend the law to define - in line with the High Court's prospective judgment - whether the president has this power of advance pardon, and more importantly to circumscribe and define the manner in which the president may exercise it. Should it be applicable in cases of murder, perjury, rape, fraud? Should it be applicable en masse or only in cases of unusual individual circumstances? Should there be a board of review - such as exists within the Justice Ministry with regard to regular pardon of criminals - that would study such cases in advance?

The GSS affair, and the flawed shotgun pardon/resignation deal - the questionable legality, questionable use of the right of pardon, if it exists, the failed purpose (to avoid an investigation), the lack of symmetry (four pardons but only one resignation) - which now lies at its heart, have underlined the need for thorough ministerial-legislative review of the advance pardon process and the setting out of a "code of (presidential) behaviour" in this respect.

(The writer is The Jerusalem Post's Diplomatic Correspondent.)

CORRECTION

The article "On responsibility and the Shin Bet" yesterday was by Arye Levavi, and not as printed.

READERS' LETTERS

VOICE OF MUSIC

To the Editor of The Jerusalem Post Sir, - I wholeheartedly concur with your reader who wrote a letter criticizing the programming on the Voice of Music (July 8). It is a source of deep consternation to me that this excellent programme, which was surely conceived with a view to promoting, first and foremost, classical and neo-classical music, has of late been usurped more and more by alien strains, to say the very least!

When I was outraged at jazz music being played ever more frequently on the Voice of Music, I contacted the department, only to be told in most unfriendly terms that the question as to whether jazz can be considered as "serious" music was merely

one of interpretation, and as that particular person happened to be fond of jazz, and since she was also involved in programme planning, that kind of music would continue to be broadcast.

I consider this to be an absolute travesty of the original aims of the programme, far more even than modern music, to which I too am not particularly partial, and I also join in appealing to the directors of the Voice of Music to please desist from playing such a surfeit of undigestible neo-classic music, and revert to playing more of the good old classics, and above all, no jazz!

DAVID LEVIN
Jerusalem.

THE AUSTRIANS HAVE NOT CHANGED

To the Editor of The Jerusalem Post Sir, - I refer to Ernie Meyer's interview of June 22 with Dr. Walter Schwimmer, chairman of the Austrian-Israel Friendship Society. I take issue with him over his assertion that there was no Lueger-type anti-Semitism in the Waldheim election campaign. We all heard the people interviewed on TV in the streets of Vienna and what we heard was rabid anti-Semitism.

Dr. Schwimmer asserts that "being a Nazi and an Austrian is

mutually exclusive." Is it really? What about Hitler and Eichmann, just to mention only two names on the long list of prominent Austrian Nazis?

Dr. Schwimmer's explanation of Waldheim's failure to disclose his two years of military service in the Balkans ("nobody except a Prussian militarist would advertise his military career") is ridiculous: there is a big difference between not advertising and lying.

AVRAM D. STERN
Jerusalem.

POLITICIANS' RESPONSIBILITY

To the Editor of The Jerusalem Post Sir, - With the almost daily quota of "dirty" being dug up in Israel, especially among the upper echelons of our political leadership, it would need a king-sized carpet under which to sweep it all. It has become so bad that it is quickly becoming the norm of our society.

Of the numerous cases in recent months, the most serious matter besetting our sorely-tried nation is that of the GSS snafu, which is rapidly becoming our Watergate. It involves highly placed figures whose positions in public life oblige them to allow their claims of innocence to be proved.

M.K. Uzi Landau of the Likud claims, as a defence, that politicians face the verdict of the voters every few years. This looks good on paper and no doubt fools the people who look for excuses, but in point of fact, it is completely untrue. Under our present electoral system the voter at large has no say in the nomination of candidates. Over the course of years, politicians are increasingly becoming a law unto themselves. Landau's statement will have a ring of truth about it when a saner system is adopted.

LEO CAMRON
Ramat Hasharon.

WOMEN IN SYNAGOGUE

To the Editor of The Jerusalem Post Sir, - It was gratifying to read Professor Safrai's explanation of May 30 about the Moslem origin of separate galleries of worship for women in synagogues, while this was not the custom in ancient times.

However, Safrai certainly is not "the first scholar to challenge the notion that women have always sat separately from men in synagogues." This was researched and documented some years ago by Bernadette J. Broton within the framework of her important study, *Women Leaders in the Ancient Synagogue. Inscriptional Evidence and Background Issues* (Brown University, Brown Judaic Studies, edited by Jacob Neusner and others, Number 36, Scholars Press, Chico, California 1982).

Ms Broton now serves as professor at Harvard Divinity School. She proved that the famous reconstruction - in drawings - of the Capernaum synagogue was based on error (pp. 103-138). Other evidence concerns the role of women as heads of synagogues, leaders, elders, mothers of synagogues, priests and donors. The documents cover an epoch of more than 500 years around the Mediterranean. Previously, their

meaning had been explained away owing to presumptions about the status of women in public worship.

PNINA NAVE LEVINSON
Heidelberg (Jerusalem).



EGYPT

Daily bus

525 - \$20* - One way

540 - \$30* - Tel Aviv - Cairo - Tel Aviv

575 - \$63* - Tel Aviv - Cairo - Tel Aviv

+ 3 nights on R.R. beds

575 - \$69* - 4 days/3 nights on R.R. beds - panoramic tour

\$125 - 4 days / 3 nights on half board 2 days of touring in Cairo, Giza Pyramids

\$320 - 8 days/7 nights on half board basis. Touring in Cairo, Luxor and Aswan, Deluxe hotels in upper Egypt.

All the tours are available in deluxe hotels

SPECIAL OFFER FOR STUDENTS
CAIRO & BACK + 3 NIGHTS
HOTEL LOTUS (TOWN CENTER) \$54

Dollar rates for tourists.
* Weekend reduction or Youth Fare

For more information call 052-221122
052-221123
052-221124
052-221125
052-221126
052-221127
052-221128
052-221129
052-221130

Galilee Tours

Rent-A-Car

FOR TOURISTS:

FROM \$6 PER DAY

All cars new. Pick up and delivery free.

TAMIR, Rent-a-Car

8 Kikar Hertzog, Tel-Aviv. Tel. 03-518371 (day) 03-527633 (night)

7 & 10 Day Luxury Cruises

on board

CITY OF RHODOS

Sailing from Haifa on July 31, August 7, 14, 21.

Don't Miss the Boat

and don't settle for less than the best.

Call your travel agent today, or **MALCHI CRUISES**

Tel Aviv, 76 Dzemgoff St., Tel. 03-289414. Haifa, 3 Habankim St., Tel. 04-624218/9. 0500-19704